FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

Latin America

FBIS-LAT-90-219
Tuesday
13 November 1990

Daily Report
Latin America

FBIS-LAT-90-219 CONTENTS *13 November 1990*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

20th OLADE Meeting Opens in Rio de Janeiro *[Madrid EFE]* 1
Parliamentarians Conference Issues Declaration *[Santiago Radio]* 1
Menem, Rodriguez To Attend Montevideo Seminar *[Madrid EFE]* 2
Southern Cone Presidents To Meet in Asuncion *[Asuncion ABC COLOR 9 Nov]* 2
Weekly Roundup of Drug Seizures in Region *[Buenos Aires CLARIN 30 Oct, etc.]* 3

CARIBBEAN

Cuba

Lage Davila Adresses October Revolution Ceremony *[Havana TV]* 4
Final Installments of Risquet Havana Interview 8
  Part Five *[Havana International]* 8
  Part Six *[Havana International]* 8
  Part Seven *[Havana International]* 9
Havana Province Official Addresses Corruption *[Havana Radio]* 10
Havana Court Said To Sentence 2 Dissidents *[Madrid EFE]* 11
Castro Briefed by Delegation Returning From Iraq *[Havana TV]* 11
  Husayn Response to Letter Cited *[Havana TV]* 11
Castro Receives Cypriot Party Leader Khristofias *[Havana TV]* 11
Rafael Rodriguez Attends Akihito Coronation *[Havana Radio]* 11
  Tokyo Activities Reported *[Havana Radio]* 12
Ross Departs for WFTU Moscow Congress *[Havana TV]* 12
Soviet Official Praises Care for Soldiers *[Havana Radio]* 12
Independent Trade Union Center Founded in Havana *[Prague HOSPODARSKE NOVINY 6 Nov]* 12
Joint Venture with Spanish Specialists Noted *[Havana TV]* 12
Electronics Document Signed With PRC Official *[Havana TV]* 13
Angolan Ambassador To Speak at Anniversary Event *[Havana Radio]* 13
  Comments on Bilateral Relations *[Havana TV]* 13
Guinean Ambassador Previews Presidential Visit *[Havana TV]* 13
Bolivian Delegation Tours Naval Facilities *[Havana TV]* 14
  Departure Noted *[Havana Radio]* 14

Antigua and Barbuda

Commission Report on Arms Scandal Detailed *[CANA]* 14

Bahamas

Government Bill Proposes New Loans To Pay Debts *[CANA]* 15
Bank Governor Predicts Economic Growth Slowdown *[CANA]* 16

Barbados

Sandiford Mentions European Investment Bank Loan *[CANA]* 17

Dominica

Charles, British Commissioner Sign Aid Agreement *[CANA]* 17
  Charles Intends To Retire *[CANA]* 17

Grenada

IMF Demands Payment on Maurice Bishop Loans *[CANA]* 18

Haiti

General Claude Raymond Contests CEP Decision *[Port-au-Prince Radio]* 18
Leslie Manigat Questions CEP Disqualification *[Port-au-Prince Radio]* 18
  CEP Official Justifies Decision *[Port-au-Prince Radio]* 19

Jamaica

Manley Announces 'Major Cabinet Reshuffle' *[CANA]* 20
IMF Agreement Provides Further $35.5 Million *[CANA]* 20

Trinidad and Tobago

Parliament Debates State of Emergency Proposal *[CANA]* 21
  Government Motion Carries *[CANA]* 21

MEXICO

Government Objections to Trade Agreement Voiced *[Mexico City TV]* 23
Pemex Exports to Cuba Replace Soviet Oil *[NOTIMEX]* 23
CEE Reports 'Irregularities' During Elections *[NOTIMEX]* 23

CENTRAL AMERICA

El Salvador

FMLN Commander Villalobos on 1991 Elections *[Radio Venceremos]* 25
  Cristiani on Villalobos Statements *[San Salvador Radio]* 26
FMLN Reports on 5 Nov Attack by Army *[Radio Venceremos]* 26
FMLN Says Army Sustains 27 Casualties 9 Nov *[Radio Venceremos]* 27
FMLN Urban Cells Attack Soyapango Garrison *[San Salvador TV]* 27
Rebel Radio Says FMLN Prepared for Offensive *[ACAN]* 27
FMLN Statement on Nov Offensive Anniversary *[Radio Venceremos]* 28
Cristiani: Bus Fares, Subsidies Not To Increase *[San Salvador Radio]* 28
Bishop Calls Confidentiality Agreement 'Positive' *[San Salvador Radio]* 29
Honduran, Salvadoran Leaders Hold Talks *[San Salvador TV]* 29

Guatemala

2nd 'Democratic' Election in 50 Years Unravels 29
  Cerezo Holds News Conference *[Guatemala City TV]* 29
  PDC's Cabrera Unable To Return *[Guatemala City Radio]* 30
  50,000 Soldiers on Alert *[ACAN]* 30
  Polling Places Open; UCN Leader Killed *[AFP]* 31
  FUR Candidate Said Beat Up *[ACAN]* 31
  Rios Montt: Results To Be 'Respected' *[Mexico City NOTIMEX]* 31
  Paper Reports URNG Actions *[EL GRAFICO 11 Nov]* 32
  Some Voting Obstruction Reported *[Guatemala City Radio]* 32
  60 Percent Turnout as Stations Close *[ACAN]* 32
  High Abstentionism Reported *[ACAN]* 32
  MAS Candidate on Rebel Talks *[Madrid EFE]* 33
  Camotan Mayor Reportedly Wounded *[Guatemala City Radio]* 34
  Election Results Presented *[Guatemala City Radio]* 34

- Bolanos: Army Wants To Strengthen Democracy *[PRENSA LIBRE 11 Nov]* 34
- Cerezo Authorizes Drug Trafficker's Extradition *[PRENSA LIBRE 12 Nov]* 35

Nicaragua

- Chamorro Views Caribbean Basin Market Membership *[Managua Radio]* 35
  - Government Spokesman on Inclusion *[Managua Radio]* 36
- Chamorro Cancels U.S. Trip Due to Health *[ACAN]* 36
- Deputy Minister Leal on Taiwan, PRC Relations *[Managua Radio]* 37
- H. Ortega on Road Block, Armed Forces Reductions *[Managua Radio]* 39
- RN Reaffirms Allegiance to Government *[Managua Radio]* 44
- Mayors, Councilmen Express Support for Chamorro *[Managua Radio]* 44
- Communique on 10 Nov Chamorro Working Session *[Managua Radio]* 45
- Chamorro Urges Return to Order in Region 5 *[Managua Radio]* 45
- Government Facilities in Masaya Occupied *[Managua Radio]* 46
- Agreement Ends Occupation of Bluefields Buildings *[Managua Radio]* 46
- 4 Killed in Nueva Guinea; Minister Comments *[BARRICADA 10 Nov]* 46
- Riot Police Disperse Demonstration in Boaco *[AFP]* 47
- Obando y Bravo Discusses Chamorro Meeting *[Managua Radio]* 47

Panama

- 'Hardened' U.S. Position on Treaty Viewed *[LA ESTRELLA DE PANAMA 7 Nov]* 48
  - 'Strategy' Said Bringing 'Results' *[EL DIARIO INDEPENDIENTE 9 Nov]* 48
- Foreign Ministry on Status of Treaty Negotiations *[LA ESTRELLA DE PANAMA 9 Nov]* 49
- Arias Calderon Discusses Noriega Case *[Panama City TV]* 50
- Ambassador Discredits CNN's Noriega Recordings *[Panama City Radio]* 50
- Bar Association President on Trying Noriega *[Panama City Radio]* 50
- Noriega's Phone Privileges Generate Concern *[LA PRENSA 10 Nov]* 51
- Columnist Reviews Endara Actions, Results *[EL SIGLO 9 Nov]* 51

SOUTH AMERICA

Argentina

- Nation May 'Withdraw' From GATT Talks *[TELAM]* 53
- Menem Notes 'Pleasure' With Entel Privatization *[NOTICIAS ARGENTINAS]* 53
  - Details of Privatization Deal *[BUENOS AIRES HERALD 9 Nov]* 53
- Menem Departs for Japan, PRC; Agenda Detailed *[DYN]* 54
- President Menem Denies 'Massive' Dismissals *[Buenos Aires Radio]* 55
- Details of New 'Omnibus' Decree Reported *[NOTICIAS ARGENTINAS]* 55
- Labor Minister Denies Report on Dismissals *[BUENOS AIRES HERALD 11 Nov]* 56
- Under Secretary on State Rationalization Program *[Buenos Aires Radio]* 56
- Economy Minister Rejects Alsogaray Criticism *[BUENOS AIRES HERALD 10 Nov]* 57
- Spanish Official Interested in Defense Companies *[TELAM]* 57
- Saudi Mission To View Weapons Demonstrations *[BUENOS AIRES HERALD 10 Nov]* 57
- Fishing Cooperation Talks With UK Previewed *[BUENOS AIRES HERALD 12 Nov]* 58
- Trade Agreement With Brazil Takes Effect *[BUENOS AIRES HERALD 10 Nov]* 58
- Greek Delegation Seeks To Promote Relations *[TELAM]* 58
- REUTER Launches Communications System *[DYN]* 58
- Former CNEA Head Supports Nuclear Dump Idea *[DYN]* 59
- Interior Minister Downplays 'Social Unrest' *[BUENOS AIRES HERALD 12 Nov]* 59

Bolivia

- Support for Bush's Americas Initiative Stressed *[PRESENCIA 4 Nov]* 59
- Andollo on Armed Forces Role, Cuban Situation *[PRESENCIA 4 Nov]* 60
- Military on 'Realistic' Stand in Antidrug Fight *[PRESENCIA 3 Nov]* 60
- Coca Producers Report Militarization of Struggle *[PRESENCIA 4 Nov]* 61
- Labor Leader on 'U.S. Pressure' in Coca Areas *[La Paz TV]* 61
- Government Defends Economic Performance *[PRESENCIA 2 Nov]* 61

Supreme Court, Executive Branch Clash Over Laws *[EL DIARIO 1 Nov]* 61
World Bank Council Grants $900-Million Loan *[La Paz TV]* 62
Inflation Rate for October 3.45 Percent *[PRESENCIA 2 Nov]* 62

Brazil

Debt Negotiator Returns From U.S. With Offer *[Rio de Janeiro TV]* 62
Disclosure of Debt Proposal Awaits Collor Return *[Rio de Janeiro TV]* 62
Poll Shows Fading Support for Stabilization Plan *[O ESTADO DE SAO PAULO 11 Nov]* 62
Government Rules Out Salary Bonus for Workers *[Brasilia Radio]* 63
Creditors Make Counterproposal on Interest *[O ESTADO DE SAO PAULO 8 Nov]* 63
Deregulation Package Effects Funds, Telephones *[Rio de Janeiro TV]* 63
Commission Visits Army Nuclear Laboratory Complex *[Rio de Janeiro TV]* 64
Congress To Legalize Parallel Nuclear Program *[FOLHA DE SAO PAULO 4 Nov]* 64
President Creates Position of Four-Star General *[O GLOBO 8 Nov]* 65
$12-Billion Deal With Iran Under Negotiation *[Rio de Janeiro TV]* 65
PCB Leader Says Leftists Must 'Rethink' Course *[Rio de Janeiro TV]* 65
IBGE Releases October Inflation Figures *[Rio de Janeiro TV]* 66
Infrastructure Ministry Official Assumes Post *[O GLOBO 30 Oct]* 66

Chile

Air Force Communique on Promotions, Retirements *[Santiago Radio]* 66
Comptrollers Office Rejects Promotion Proposals *[Madrid EFE]* 66
Interpol Searching for Suspect in La Cutufa Case *[Santiago TV]* 66
Court Appoints Judge To Investigate La Cutufa *[Santiago Radio]* 67
Minister Denies 'Mudslinging' Against Army *[Santiago Radio]* 67
Soviet Mission on Joint Venture Possibilities *[Santiago Radio]* 67
Italy To Grant $200 Million in Credits, Donations *[Madrid EFE]* 68
Agreement on Return of Citizens in Exile Signed *[Santiago Radio]* 68
Socialist Party Holds Internal Elections *[Madrid EFE]* 68

Colombia

Alleged Drug Trafficker's Extradition Approved *[AFP]* 69
    Further on Extradition *[Bogota Radio]* 69
20 Guerrillas, Soldiers Killed in Antioquia *[Bogota TV]* 69
    Further on Attacks *[Bogota TV]* 69
Government Breaks Off Talks With FARC, ELN *[Bogota TV]* 69
Government Minister on Latest Kidnappings *[Bogota Radio]* 70
No Postponement of Constituent Assembly Elections *[Bogota Radio]* 70

Peru

Government 'Alarmed' Over 'Labor Unrest' *[Madrid EFE]* 70
Fujimori, Argentina's Menem in 'Presidential Tiff' *[Madrid EFE]* 71
Fujimori Receives Air Force Decorations *[Lima TV]* 71
Economy Minister on Debt, Salary Payments *[Lima TV]* 72
Labor Minister Says No Money for Salary Hikes *[Lima TV]* 72
Drug Trafficking Leader Escapes From Jail *[LA REPUBLICA 7 Nov]* 72
Deputies Reject Charge Against Former President *[Lima TV]* 72

20th OLADE Meeting Opens in Rio de Janeiro

PY1311022290 Madrid EFE in Spanish 2140 GMT 12 Nov 90

[Report by Rafael Candanedo]

[Text] Rio de Janeiro, 12 Nov (EFE)—The plan for cooperation in the field of petroleum proposed by the Latin American Energy Organization [OLADE] today is technically and economically feasible; however, its approval will require a political decision by the 25 ministers and deputy ministers from countries in the region.

Colombian Gabriel Sanchez Sierra, executive secretary of OLADE, opened the 20th OLADE ministerial meeting in Rio de Janeiro today. He noted that "the energy strategy for Latin American and Caribbean countries for the nineties" that the OLADE has prepared is "feasible," "consistent," and beneficial for all countries involved.

According to Sanchez Sierra, the critical economic status quo and current international conditions "compel Latin America to cope with the situation on our own, without waiting for others to implement changes when we ourselves are incapable of making them imaginatively, courageously, and decisively."

Speakers at the opening session called for Latin American integration, noted the example of the EEC, and mentioned the "fragility" of world energy sources as evidenced by the Persian Gulf crisis.

OLADE reported that its proposal for an energy union is a response to the international status quo, which is marked by economic blocs and growing world interdependence.

Ozires Silva, Brazilian infrastructure minister and chairman of the 20th OLADE meeting, read a speech by Brazilian Vice President Itamar Franco in which he comments: "The current Persian Gulf crisis has once again exposed the fragility and vulnerability of the world in general and the developing countries in particular in terms of energy."

OLADE believes that "recent developments in the Persian Gulf once again confirm the instability of the world market, the underlying problems with supply guarantees, and the strong possibility of price variations."

The working document states that OLADE's strategic proposal is equivalent to regional integration in other areas and recalls that the European Coal and Steel Community was the forerunner of the current European Community.

The 6.6 million barrels produced daily by the five exporting countries (Mexico, Colombia, Trinidad and Tobago, Venezuela, and Ecuador) and the oil that other countries—such as Brazil and Guatemala—produce for their own consumption would cover the demand of the entire region, which totals 5 million barrels each day. Because of the way the markets are set up, however, 3.34 million of the 6.6 million barrels are sold to other areas of the world, like the United States and Western Europe. In the meantime, Latin America consumers are purchasing 1.2 million barrels per day from outside of Latin America—in the Persian Gulf, the Middle East, and even the United States.

As far as oil is concerned, OLADE is proposing to reduce the dependency on these 1.2 million barrels per day by having producing countries supply other nations who actually purchase their oil outside Latin America.

The technical proposal includes cooperation in guaranteeing the supply of crude to nonproducing countries, coordinating freight and storage contracts, arranging refinery assistance from countries like Mexico and Brazil, which have good technical infrastructures, and prospecting.

The proposal also recommends the establishment of a multinational corporation to market hydrocarbons, the exchange of management information, the implementation of exploration projects, and the interconnection of electrical grids like the linking of the Itaipu (Brazilian-Paraguayan) and Yacyreta (Argentine-Paraguayan) dams.

Other projects outlined in the "Energy Strategy" include the development of new energy sources, such as the sun and wind in the Caribbean, and the exchange of natural gas in the Southern Cone.

Attending the OLADE meeting, which will close tomorrow, are 20 ministers, four deputy ministers, and one special ambassador, all of whom are involved in energy or related fields.

Parliamentarians Conference Issues Declaration

PY1011020890 Santiago Radio Cooperativa Network in Spanish 2200 GMT 9 Nov 90

[Text] Consolidation of the democratic system also entails a reaffirmation of the citizenry's right to health. This was stated by participants at the Fourth Conference of Parliamentarians of the Americas on Health and Democracy, which concluded today at the Congress building in Valparaiso.

Congressmen and experts representing Argentina, Brazil, Chile, Paraguay, and Uruguay, as well as the Pan American Health Organization and the OAS [Organization of American States] participated in this international event.

The sessions of the Fourth Southern Cone conference were opened in Santiago on Wednesday, 7 November, by President Patricio Aylwin, and were held for two days in Valparaiso.

At the end of the conference, the participants signed a joint declaration in which they stated that consolidation of the democratic system also entails a reaffirmation of the citizenry's right to health for which necessary legal measures must be adopted to guarantee good medical aid and the improvement of health standards for the entire population.

The congressmen added that the state has the great responsibility—which it cannot delegate—of defining health policy and establishing the most efficient, equitable ways and means of safeguarding medical assistance.

They also agreed to promote the decentralization of health services by strengthening community participation in solving their own problems.

They stated that the congresses, in their capacity as representatives of the citizenry's interests, can carry out actions designed to preserve and monitor the environment.

The congressmen and experts who participated in this Southern Cone event agreed to promote the greater participation of women in defining and implementing social and health policies, especially, by encouraging actions that can meet their neglected needs.

They also noted that the reorganization of public expenditure, as a result of the progressive consolidation of peace and democracy, makes it possible to earmark greater resources for the social sector due to the reduction of funds earmarked for the defense budget.

They agreed to encourage an exchange of information and experiences between Southern Cone congresses on priority issues such as patents, drug addition, AIDS, and financing.

The document ends by promoting the establishment of interparliamentarian consulting mechanisms in fields of common interest to the countries, such as laws on the environment, the recognition of patents, polluting industries, and the protection of migrant workers.

Menem, Rodriguez To Attend Montevideo Seminar

PY1211013290 Madrid EFE in Spanish 1654 GMT 11 Nov 90

[Text] Montevideo, 11 Nov (EFE)—Argentine President Carlos Menem and Paraguayan President Andres Rodriguez will be in Montevideo on 27 November to attend a seminar sponsored by the "Pax Institute" headed by former Uruguayan President Julio Maria Sanguinetti.

Sources close to the institute reported today in Montevideo that Menem and Rodriguez are the only presidents who have already confirmed their participation in the seminar. All Latin American presidents have been invited.

The seminar, which will take place from 27 to 30 November, will include a series of conferences on "democratic culture, development, and the third millennium in Latin America."

Southern Cone Presidents To Meet in Asuncion

PY1211150690 Asuncion ABC COLOR in Spanish 9 Nov 90 p 10

[Text] Argentine President Carlos Saul Menem, Brazilian President Fernando Collor de Mello, and Uruguayan President Luis Alberto Lacalle Herrera are expected to arrive in Asuncion in the first half of December. They will be in Asuncion to sign the "Act of Asuncion" establishing the Southern Cone Common Market (Mercosur). Among other things, Mercosur plans to abolish customs rates as of 1 January 1995.

Speaking at Government House yesterday, Foreign Minister Alexis Frutos Vaesken said the agreement establishing Mercosur will be signed in Asuncion during a meeting that will be held between 10 and 15 December. He added that the different foreign ministries are working out the pertinent details.

He said that he is in permanent contact with his colleagues in the Mercosur countries. The foreign minister also reported that Uruguayan Foreign Minister Hector Gros Espiell will visit Asuncion at the end of November for a preliminary meeting.

Frutos Vaesken said consultations have shown that there is a consensus among the Southern Cone heads of state on attending the meeting in Paraguay.

Moreover, on 7 November, President Andres Rodriguez said that during his trip to Japan for Emperor Akihito's enthronement, he will hold meetings with his Latin American colleagues to establish the date for their meeting in Asuncion. As is well known, a majority of the Latin American heads of state will be in Tokyo for the enthronement on 12 November.

President Rodriguez added that he will visit Montevideo on 26 November to attend the presidential summit that will be held in Uruguay. On this occasion, there will be a conference on the democratic transition process in Latin America. Other heads of state are also scheduled to attend this summit.

Foreign Minister Frutos Vaesken said these meetings will be held within the framework of a new stage in Paraguayan relations, in this particular case, with the Southern Cone countries. Frutos Vaesken added: "We are working within this framework and we will soon see the results of our countries' integrationist spirit."

The foreign minister also reported that Rodriguez will be unable to attend the presidential summit to be held in Quito, Ecuador, on 24 November because he will be returning from Japan.

The government has appointed Washington Ashwell, Technical Planning Secretariat executive secretary, and Esteban Ojeda Saldivar, Paraguayan ambassador to Ecuador, as representatives to this meeting.

Weekly Roundup of Drug Seizures in Region

PY1211202090

[Editorial Report] Following is a compilation of reports on drug seizures and arrests related to drug trafficking in Paraguay Bureau's coverage area from 28 October to 8 November. Source, date, and time are given in parentheses after each item.

ARGENTINA

The Federal Police of Rio Gallegos and Moron have dismantled a gang of drug traffickers who smuggled cocaine in sports footwear. Victor Blanco Ibanez and Bolivian citizens Amilcar Gamboa Reyes and Asuncion Reyes were arrested on 21 October with two kg of cocaine hidden inside sports footwear and Bolivian-made cookies. Bolivian Tecia Laura Sahonero Ampuero de Ontiveros, 40, was arrested on 24 October carrying 1.5 kg of cocaine. The police discovered that gang members traveled from Santa Cruz de la Sierra, Bolivia, to Spain, Germany, and Miami. The drug was brought from La Quiaca to Buenos Aires by land and then to Rio Gallegos by plane. The drug was then taken from Rio Gallegos to Punta Arenas, Chile, by bus. (Buenos Aires CLARIN in Spanish 30 Oct 90 p 24)

BRAZIL

In the municipality of Salgueiro, in the interior of Pernambuco State, the Military Police have destroyed 200,000 marijuana plants. (Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 7 Nov 90) Bolivian citizens Bruno Zacharia Pena and Sandro Zacharia Soares were arrested on 7 November in Corumba. They were carrying 54 gallons of ether and 84 gallons of acetone, which would be enough to refine 180 kg of cocaine. They bought the chemicals in Corumba and were planning to take them to Bolivia. (Rio de Janeiro O GLOBO in Portuguese 8 Nov 90 p 10)

CHILE

Valparaiso—Investigation Police personnel have confiscated 504 grams of highly pure cocaine hydrochloride on board the Sonia M, a ship sailing under the British flag. (Santiago LA TERCERA DE LA HORA in Spanish 28 Oct 90 p 28)

Valparaiso—The Carabineros have dismantled a gang of drug traffickers who operated a laboratory in Villa Alemana. Arturo Natalio Caceres Pacheco, 36, Rolando Alfredo Pincheira Valladares, 57, Claudio Antonio Olmos Nunez, 40, and Luisa Rosa Olate Guzman, 32, were arrested. Cocaine base was brought from Arica by Caceres Pacheco and, after processing, sold in Vina del Mar and Santiago. The police seized 3.804 kg of cocaine hydrochloride, five liters of bottled ether, a heat cabinet, an air pump, a 250-cc tube, three 1,000-cc glass vessels, a funnel, three corks, a distillation flask, a 110-cc flask, a densimeter, nine pieces of rubber tubing, three flasks of alcohol, one flask of acetic acid, and one flask of ammonia. (Santiago LA TERCERA DE LA HORA in Spanish 30 Oct 90 p 33)

PERU

The Technical Police have arrested two brothers who were carrying six kg of cocaine base at the Pucusana checkpoint. The brothers were traveling from Ayacucho to Lima. (Lima Television Peruana in Spanish 1100 GMT 6 Nov 90)

The antidrug police have reported the arrest of drug traffickers Julian Cieza Cotrina, Carlos Martell Perez Diaz, Carlos Coral Calvo, Jose Maria Tequen Malca, Rigoberto Mendoza Yanca, Cayetano Paucar Cajo, and Gabriel Pintado Campoverde. The traffickers were arrested on 19 October near Puerto Pizana. During the operation the police seized 180 kg of cocaine base and a Peruvian-registered Cessna airplane with license number OB-1023. The pilot was Franciles Padilla Reategui, 30. (Lima EL COMERCIO in Spanish 29 Oct 90 p A 10)

Cuba

Lage Davila Adresses October Revolution Ceremony

FL0911150090 Havana Tele Rebelde Network in Spanish 0156 GMT 8 Nov 90

[Speech by Carlos Lage Davila, alternate member of the Politburo of the Communist Party of Cuba, at a ceremony marking the 73d anniversary of the Soviet Revolution at the Universal Hall of the Revolutionary Armed Forces, FAR, in Havana on 5 November—recorded]

[Text] Dear Soviet brothers, comrade ladies and gentlemen: Today we proclaim, with the consistent firmness and pride, that the Cuban revolution is the heir to and the continuation of the glorious revolution of October. Shortly after 7 November 1917, the revolutionary forces on the island threw their total support behind the October Revolution that had triumphed in Tzarist Russia. Prominent Cuban patriots defended the Red Revolution, and predicted that the future of humanity was inscribed in it. As of that date, and throughout our history, the October Revolution and Lenin's ideas have lighted the path for Cuban revolutionaries. Julio Antonio Mella sailed out to the first Soviet ship that arrived off our coasts to melt into an embrace with its sailors, who had been denied the right to step onto Cuban land.

No one has forgotten that a volume with Lenin's works (?found) at the little Siboney farm, was presented to the court that was judging the leader of the Moncada attack for the purpose of linking that authentic action to alleged shady international plots. This led Fidel to stigmatize as ignorant those who were not familiar with the ideas of the leader of that gigantic revolutionary enterprise, which was to build socialism for the first time in history.

The glorious October Revolution has been and will continue to be an antecedent of the last phase of the Cuban revolution—the phase of the dawn of 26 July, of the "Granma" and the Sierra [Maestra]—along with the fight for independence and the democratic, anti-imperialist revolution of 1933.

With those legitimate precedents, in 1959 we began the great process of rectification of Cuba's history: our revolution, thanks to which U.S. imperialism has had to remove its hoofs [pesunas] from our island once and for all. The U.S. presence in Cuba had made our fatherland a new colony tied to the carriage of the powerful and despoiling neighbor, a Republic supervised by foreigners and dependent on decisions made abroad. That imperial system that offended us was the main pillar of support of an immoral and unfeasible social and economic regime, a secondhand, anachronistic capitalism that condemned most of the Cuban people to live as second class citizens, and to suffer the tragedy of underdevelopment with its degrading material and moral consequences.

The victory of our revolution came about under the influence of the ideas of Marti, and of Marxist-Leninist ideas, and its experience has led us to conclude, as Fidel has said, that national independence, revolution, and socialism form a unit that defines and sustains the very survival of the Cuban nation.

In these times of doubt and uncertainty, of ambivalent responses, of denials, and faltering faith in socialism, we lift our faces to state that Lenin's ideas, along with those of Marti and Maceo, of Mella and Guiteras, of Che and Fidel, are part of our most cherished heritage. [applause]

In the light of the events in Eastern Europe and in the USSR itself, the significance of October is not diminished. On the contrary, its beautiful legend is aggrandized. The feat that led to the triumph of that revolution, as has been said, shook the world, changed the face of feudal Russia, and gave strength to tens of millions of inhabitants who would later form the Soviet Union. With the energy generated by its ideas, those masses confronted, in difficult and bloody hours, a powerful coalition of counterrevolutionary armies and troops from the imperialist countries and their vassals. They developed the country's economy and defeated the Nazis. A multitude of European countries owe their freedom to that victory. Moreover, humanity as a whole cannot even imagine the pain that it was spared.

The Soviet people, under the leadership of the Communist Party, reconstructed a devastated country and helped to reconstruct other countries, and made the USSR emerge from the ruins and become a world power of unquestionable merit that initiated the conquest of outer space and developed, as an integral part of its policy, the consistent practice of solidarity and proletarian internationalism.

Humanity should be eternally grateful to the October Revolution. With it began—and this should not be forgotten—the crisis of the colonial system, and the struggle of peoples was impelled by the winds of change that it impressed upon the world. Those are unavoidable truths and the result of a revolution that changed the destinies of mankind.

Ignorant or malicious distortions are being stirred up today against the October Revolution, in denial of its legitimacy. Reactionaries throughout the world, drunk with a feeling of victory, have been slandering the revolution more than ever. The imperialist press and its followers denigrate the revolution just as they denigrate Lenin. In the process of the construction of socialism in the USSR, mistakes were made. No one doubts this. It would have been impossible for an event of that nature and magnitude to have taken place in an isolated country that was subjected to brutal pressure from the enemy without conflicts—at times heartbreaking—and tremendous passions that led to actions which we revolutionaries are the first to regret.

Campaigns full of such untruths are being launched, however, against the USSR today, benefitting only the enemies of the Soviet people. Some theorists—who have not come even close to seeing a revolution—proclaim the death of ideologies, as if such a concept were not in itself an ideology. Without hiding their haste, they are determined to bury Marxism. True revolutions are necessary processes that no one fabricates or invents, and their course is gestated deep inside the seat of the peoples' most profound needs. A socialist revolution is the result of the unsolvable conflicts generated by capitalism, conflicts that are visible, no matter how much they are disguised.

The phenomena that are just beginning to be noticeable today in the countries that abandoned the path of socialism are the best proof of the rightness of socialism. The neoliberals, who are fashionable, seek to present to the world (?the wealth) of the imperial metropolises as a gift of the natural evolution of capitalism, and they portray capitalism as a great universal panacea and the sum total of democracy and law. The gullible or the weak heed those siren songs. We revolutionaries, however, know quite well that those riches have been, and continue to be financed—to no little extent—by the huge profits obtained through the looting of the Third World countries throughout their entire history, and that this is the explanation of the abyss that separates humanity.

As for the so-called democratic virtues, in our undeveloped world, in which the revolutionary hope is latent, the Latin Americans who have had to live in dictatorial darkness and with an occasional glimmer of a democracy and formal human rights, know very well that when a situation becomes intolerable and the masses become infuriated, democracy and the laws that are written on paper disappear in one stroke, by blood and fire.

In testimony to that terrible reality, one could invoke a interminable list of people killed in just 20 years. Many are trying to think optimistically that this is already in the past, so much so that for many, this is likened to the dead carried away in the banana trains of "One Hundred Years of Solitude" [novel by Gabriel Garcia Marquez]. Thus, while some people in the developed capitalist world, and regrettably in our own world, are rejoicing over the disappearance of socialism in the East European countries, the Third World peoples, and even some of their rulers, do not feel this way. They know that this has been a setback that is grist to the mill of an arrogant and aggressive superpower that is trying to impose its brutal domination on everyone.

Despite this setback, however, the Cuban revolution continues on its way as prosperous and fresh as on the first day. The greatest power in the world has never hidden its visceral hatred of a small country because that country will not surrender, and that power will certainly not hide its hatred now. Rome, which hurled its might against Carthage and Syracuse, established a precedent of irrational and paranoid desires that was much less obvious. For this reason, Fidel has reminded the Rome of today that Cubans are no less resolute than the Numantians, but also that this Rome should realize that today's Numantians would not set a bonfire to hurl themselves into it, but so that the legions of the empire may perish. [applause]

Imperialism is trying to put the revolution into a corner, and no honest or lucid man on earth can believe its proclamation in favor of democracy and freedom in Cuba. That strange democrat tries to give the impression that its concept of democracy is the only valid one and that none other is possible. The entire world, any place and in any circumstances, must accept and implant that concept. This is similar to the case of the Latin American dictator of anecdote who announced: We are going to establish democracy right now. Let all who do not agree be shot.

U.S. imperialism is trying to disseminate throughout the world, from the point of the guns on its battleships, a model of democracy that perpetuates the hegemony of the rich and the oppressors. Consequently, it denies that there can be true democracy in Cuba, much more democracy than in so many other places that imperialism praises and applauds for their obedience and submission.

The Cuban people have weapons in their possession, millions of men in their volunteer militias, and reserves that have been trained and forged in internationalist missions. Had they not had this system, this power, this government, and this party, their situation could simply not have been sustained, even for a few minutes. In the face of all the rhetoric with which we are attacked, this argument is more convincing than fists. The most powerful weapon of the Cuban people, of the Cuban nation for the defense of their independence and sovereignty and the social system that they chose, is their unity. History has shown that whenever our people have been divided, they have suffered a setback.

They were divided in the years after the Ten Year War and this ended in peace without independence at Zanjon. At the end of the independence war, the Yankees divided the pro-independence people—through tricks and traps—and were able to impose on us the Platt Amendment which ensured their dominance over Cuba. During the revolution of 1933, they bought out part of the army and the lack of maturity of the revolutionary movement, with divided ranks, did the rest so that the process was beaten. However, imperialism has not found a crack since 1959. Fidel was able to masterfully unite the people behind the banners he waves, and here is the revolution. This is a lesson we cannot forget at this time.

We are again experiencing a time of barricades which in a sense is more difficult than those of the early years. Nevertheless, we are much better prepared to fight the battle and we have before us the fruits of 30 years of building socialism. We are no longer that country that was humiliated and oppressed. We are freer than ever. We have a work to defend, and we will know how to defend it and move forward.

Cubans understand that hard, difficult years are ahead, not only for the Soviet Union but also for Cuba. The unforeseen situation that caused changes in definition resulting from the rapid course of events in East Europe and the situation in the USSR itself, has now been aggravated by other, very dangerous situations, such as the Gulf crisis.

Our people have followed closely the developments in the Gulf in the last few months. Great dangers are threatening world peace. Cuba has maintained an upright position with regard to this conflict. We condemn Kuwait's invasion and annexation in line with principles and considerations regarding international law norms that should be in effect in the world and because we oppose the use of force to solve conflicts between countries. In addition, our party's leadership felt from the beginning that if the conflict between Iraq and Kuwait were to lead to war, a human drama of unimaginable proportions would be provoked, an extremely adverse situation for the independence of many Arab states, and a true disaster for the international economy, especially for the economy of the Third World countries.

We have made the maximum effort and numerous attempts to encourage a political solution a solution without war, and a just solution. We have maintained this same position at the UN Security Council, where we have not hesitated to support the resolutions that condemn those actions that we consider violate international law. We have also opposed everything that we consider unfair, all those measures that instead of facilitating the road for a political solution lead away from it and can even be described as leading to war, which is what the United States is betting for.

We rejected the resolution that established the blockade against Iraq because we consider that to try to make a people give in because of hunger is a repulsive method to attain a certain goal. We rejected the air blockade, the shameful approval of the unilateral measure of the naval blockade by the United States and the threats contained in the last resolution approved by the Security Council, which in fact, doom to failure the peace initiatives that the UN secretary general may carry out, thus constituting another step toward war.

In the UN setting, we will continue to wage that honorable and sometimes lonely battle, at the same time, we will continue to work to prevent a military solution which would bring enormous dangers to all Third World countries.

Comrades: It is in difficult times such as these when courage and friendship are tested. Today we feel closer to the Soviet people and we should be more vigilant than ever, so that the imperialists with their distortions and little tricks cannot sow division between the peoples, governments, and parties of Cuba and the Soviet Union. We Cubans do not forget, because we are not and will never be ungrateful, that it was the Soviet Union that reached out its generous hand and gave us its unselfish and noble cooperation and aid at the triumph of the revolution in 1959 when many thought it would not survive. Through the course of the years, a form of relation without exploitation and conditions between a developed and underdeveloped country, unprecedented in the history of humankind, was created.

To betray this friendship was for years the Yankee blackmailing condition to modify their policy of blockade, harassment, and aggression toward our country. It is cause of indignation that, with its usual opportunism, the U.S. imperialist government has changed gears in making its demands and asks the Soviet Union to get rid of its historic relations with Cuba in exchange of economic concessions. How surprising it is that they used to call us Soviet satellite and now we are attacked for not copying Soviet methods and formulas as if the Cuban and Soviet realities were the same. We respect the Soviet experience and we fervently wish that the changes that are taking place in the USSR are successful. What else can the Cuban people wish the Soviet people, the Cubans who admire greatly that heroic community, than the successful accomplishment of its goals and its stability, strengthening, and advancement.

Cuba wants to express once more at this time to the Soviet party, government, and people that on this small island of the Caribbean they will always find the respect, the admiration, and internationalist brotherhood of its people. [applause] When the Cuban people receive a group of children victims of the Chernobyl accident, when they see them in the beaches and hospitals, they remember the 30 years in which without hesitation, each time, the Soviet people reached out their fraternal hand to Cuba. When the combatants in Afghanistan are received in our hospitals, when their improvement is accomplished, the Soviet people should know that our hearts beat with happiness because we have been able to contribute to the happiness of Soviet men, of Soviet families. Those feelings are not subject to change. We will know how to share whatever we have, regardless of our difficulties.

We are certain about the efforts made by the Soviet Union and its top leaders to fulfill their commitments with Cuba. We are aware of their wishes to maintain and develop our trade and cooperation relations. If their traditional ways were to change we know that we will make joint efforts to find solutions. There is something even more important. We are also certain of the feelings of the Soviet people toward Cuba.

Throughout these years, we have shared and lived with thousands of Soviets who with love and unselfishness have given Cuba their knowledge and efforts. I have walked the streets of Moscow and Leningrad; and I have seen with my own eyes the eyes of the Soviets when Cuba, the revolution, Fidel, the island of freedom are mentioned. This last expression was born precisely from the love of the Soviet people. [applause]

Those feelings cannot be erased, they are history, and they will not allow that the enemies of Cuba and the Soviet Union sow doubt among us and cause misunderstandings. We are not unaware of the fact that in the middle of the various ideological currents present today in the complex political panorama of the Soviet Union there are critical views toward our revolutionary process and interpretations that reflect a deep lack of knowledge of our history, the circumstances in which the building of socialism was developed in Cuba, and of our reality.

In this context, some voices have recently found space in Soviet publications and, showing an absolute lack of ethics, they have undertaken to distort the meaning and the essence of our relations, misrepresenting the facts. On occasion, works have been published that could only be described as simply vile. To us, to all the people, it is essential to understand that those who reveal themselves to be enemies of the Cuban people and their revolution are also enemies of socialism and of the Soviet people. We are further convinced that there will be no lack, as there has been no lack to date, of honest and revolutionary people within the USSR who will assume the task of bringing the truth to light.

On this 73d anniversary of the October Revolution, harsh battles still remain ahead for the Soviet people, their government, and their communist party to overcome their present difficulties. However, to face up to those difficulties, those people are equipped with a history that is possibly inimitable in its nobility and heroism.

We reiterate today our confidence that the Soviet people will triumph, because they have done so throughout their history. We Cubans are at a crucial moment in our country's history. In contrast to some who falter at this time, there is an entire people whose chests are about to burst with revolutionary pride. Those whose legs are trembling are the ones who do nothing but criticize. They find obstacles to every solution or some defect in every successful act of the revolution. They are the unbelievers, those who spend their time repeating the enemies' rumors, those who believe that some mechanisms or formulas formed in their heads could bring about an automatic solution to our difficulties. In fact, consciously or unconsciously, they harbor the idea of making concessions, and the road of concessions irremediably leads to surrender.

Those people are unable to understand that our problems can only be resolved by the sweat of all; or rather, they refuse to join their sweat to that of all the others. We must realize that we are in times of ideological confrontation, and both internally and abroad, we have to defend the revolution at every minute. Socialism—and we include our version—is not a perfect regime. No human product is. However, no society moves as increasingly toward justice, or struggles more sincerely for it, than the socialist society. Employment, education, medical treatment for all, the same rights for all, the opportunity for all to share what the country is capable of achieving: those are realities that the October Revolution made possible for its people, and opened the way for others to achieve, as well.

Socialism, in its young history, has not been as efficient in many economic spheres as capitalism has been, and it has committed serious errors. However, to seek to solve its problems by renouncing its advantages is to march against history. Life within socialism is a million times more humane and rational than in capitalist society. When socialism becomes more efficient and becomes capable of making people understand the injustices of capitalism, and of getting mankind to reject those injustices, as it rejects slavery and feudalism, without having to live within the jaws of capitalism, then the battle will have been won. We, who are aware that whatever happens on this rock of dignity in the Caribbean Sea will have a great influence on the fate of socialism, are prepared to wage the battle to preserve and develop our socialism for the honor of our fatherland, our history, our heroes, and the Great October Revolution. [applause]

I think of my fatherland without socialism, and I see opulence for some Cubans as opposed to the abject poverty of others. I see the Yankee boot humiliating and offending our nation as it has done so many times in history. I see disease and inevitable deaths prevailing. I see drugs, delinquency, prostitution. I see children without schools and without diapers, great lords who can do anything, and hundreds of thousands without jobs. I see blacks again despised and sidelined, aristocratic universities and students without universities. I see what the revolution has fortunately spared my children and me from seeing, as it has spared many of you and your children. We must improve what we have achieved, but not deny it or even put it at risk.

If the Yankee might were to establish an even more extensive embargo against Cuba, and we did not have the USSR to count on as we have had to date, we would remember the heroic feat of blockaded Leningrad, and we would repeat that feat. If imperialist arrogance were to lead to a military aggression against our fatherland, we would respond like the immortal defenders of Stalingrad. If the future were to hold new difficulties for us, if the road toward the total independence of the fatherland were full of sacrifice, we would not abandon it. Lenin's ideas are here to stay. The monument elected to his honor on the hill and the park which bears his name will be guarded eternally with the love and gratitude of Cubans for his work and for the solidarity and generosity of the Soviet people. [prolonged applause]

The banners of the October Revolution are as much ours as those of Carlos Manuel de Cespedes. The ideas of socialism are in our minds and in our hearts and from them, we will extract the wisdom and the energy to head toward a dream that we already know how to realize, and that we contemplate with optimism and hope. To reach it, and to look toward new horizons, the Cuban revolution has joined together the wills of all our people.

Long live the eternal friendship between the USSR and Cuba. [people shout: "Viva] Long live the glorious October Socialist Revolution. [people shout: "Viva"] Socialism or death. Fatherland or death. We will win. [applause]

Final Installments of Risquet Havana Interview

Part Five

PA0911162890 Havana International Service in Spanish 0100 GMT 3 Nov 90

[Part V of "exclusive" interview with Jorge Risquet, member of the Communist Party of Cuba (PCC) Politburo, by Pedro Martinez Pirez, at PCC headquarters in Havana; date not given—recorded]

[Text] [Martinez] Let us return to the topic of the tripartite symposium that is to be held in Havana. In your opinion, and taking into account the symposium that was held in Moscow, what new features will be introduced at the meeting of North American, Cuban, and Soviet delegates in Havana at the end of next year?

[Risquet] The Havana meeting will have three outstanding features that will give it unique historic significance.

First, the meeting will be held in the country that confronted the terrible threat of a nuclear attack. There were missiles here, but what is much more important is that there were hundreds of thousands of combatants and an unwavering nation determined to defend the fatherland at any cost. I say this is much more important than the missiles because the missiles were taken away but the heroism of our people grew stronger. It continued to grow stronger in subsequent years and continues to do so today. Therefore, the first unique feature is that the conference or symposium will be held where these events took place.

In the second place, we want to clarify once and for all the causes of the crisis. We want to explain the development and outcome of the events that placed the world on the brink of nuclear war.

Third, of those who governed the three countries directly involved in the 1962 crisis, only one chief of state—Commander in Chief Fidel Castro—remains. Castro's wisdom as a statesman—as Che said—never shone so strongly as in those days when things were both bright and sad. You will surely recall that Che said this in his farewell letter. Fidel's disclosure of Cuba's position, and its interpretation of the genesis, evolution, and outcome of the crisis will give the Havana tripartite meeting a special and unique significance.

[Martinez] You said that the causes for the October crisis will be cleared up once and for all. There are still many documents, however, that are secret. Is Cuba willing to reveal these documents?

[Risquet] As far as Cuba is concerned, we have no problem revealing internal documents that could shed some light on these historic events, if there is reciprocity. Also, the meeting delegates will be able to visit the areas where we deployed our forces, our antiaircraft missiles, and the Soviet missiles that carried nuclear [word indistinct]. They will also have at their disposal films of events that took place, and they can even hear our soldiers singing patriotic songs in the trenches then. This is regarding the Cuban documents. Concerning the bilateral Cuba-USSR documents, we have worked with our Soviet comrades to group them to compare them [words indistinct]. Thus, we will be able to reveal them at the appropriate time.

[Martinez] It is evident that both the Cubans and the Soviets—based on the example you have given—are willing to overcome any obstacle to declassify documents so that historic truth can prevail. However, the case of (Phillip Brenner) in the United States indicates that obstacles to the declassification of documents continue to exist in that country.

[Risquet] Evidently, the U.S. Administration is the biggest obstacle [words indistinct] to declassify secret documents. Although hundreds of documents have been made public during the past three decades, the U.S. Government refuses to declassify approximately 700 documents. I ask myself, what sense does this make after 28 years? I believe that the only possible explanation is that the United States is hiding the big truth: that it was preparing a direct attack on Cuba long before the nuclear missiles were installed in our country. Thus, the installation of the missiles in our territory was an act of legitimate self-defense. At the Moscow symposium, the U.S. delegation itself admitted that it was logical for Cuba to anticipate an attack by the United States at that time. They admitted that they would have had the same perception if they had been in our position. They said, however, that although the chain of events led Cuba to believe that the United States would attack, they had no intentions of doing so. Perhaps these 700 documents would reveal evidence that the Pentagon and certain sectors of the U.S. Administration intended to attack Cuba when the time was right, and that they had been preparing this aggression for some time.

Part Six

PA0911175290 Havana International Service in Spanish 0100 GMT 4 Nov 90

[Part VI of "exclusive" interview with Jorge Risquet, member of the Communist Party of Cuba (PCC) Politburo, by Pedro Martinez Pirez, at PCC Headquarters in Havana; date not given—recorded]

[Text] [Martinez] Listening to you, I think it would be regrettable if U.S. propaganda and policy toward Cuba were to hamper studies on the background and events surrounding the October crisis by scholars and experts or if speculations were to distort the memoirs of Nikita Khrushchev. Some of Cuba's enemies have said that Commander Fidel Castro himself fired the missile that downed the U.S. U-2 spy plane on 27 October 1962. What can you say about this?

[Risquet] I have heard the report that Fidel pushed the button. Someone in Moscow, I do not recall now, spread that slander. I want to tell you that the plane was downed in the country's eastern zone, where I was stationed at that time. You know that. During the crisis our commander in chief was in Havana City and Havana Province, directing forces which were deployed throughtthe country. Therefore, he could not be in Havana and in the east at the same time.

If those people had said the Bay of Pigs....[chuckles, changes thought] It is true that Fidel fired a cannon there in April 1961. On 27 October, when the U-2 was downed, the order was not to fire on planes. Undoubtedly the downing of the U-2 contributed to the escalation of the crisis. On 28 October,, when Khrushchev announced his willingness to withdraw the missiles, the crisis began to abate.

UN acting Secretary General U Thant came to Cuba on a good-will mission. He also came to ask for the body of the spy plane's pilot, and we gave it to him.

It was decided [words indistinct] the planes to avoid escalating the crisis, as the situation seemed to be improving however, the U.S. planes then began to fly lower. Since they were not shot at they continued to fly lower and lower, making very low-level flights over all our military installations. They were trying to demoralize the antiaircraft gunners who had anti aircraft guns and machine guns. There were more planes than we could have intercepted. When these planes flewy it was not the same. These planes had higher ceilings than our planes, but planes that flew at a low level could have been intercepted by fighter planes we had at the time. It was very demoralizing for the Armed Forces to restrain from firing on planes making low-level flights over their units. We could not continue to allow our brigades to be demoralized and our people's high, heroic spirit to be broken.

Although we were nearing the end of the crisis that intolerable situation continued. Precisely on 15 November the order was given, 20 days after the [words indistinct], the order was given to fire at the low-flying planes. At the San Antonio Air Base, where these flights were very frequent, a number of antiaircraft weapons were set up. Fidel himself was there, eagerly waiting to fire the antiaircraft weapons when the planes flew over.

But the planes did not come that day. The previous day we had advised the United Nations that we would start shooting at the planes if they continued their low-level flights. Maybe the United States took this advice, or maybe the atmospheric conditions that day were not the best, but the truth is that there were no flights that day. Yes, Fidel was at the San Antonio Base beside the gunners, ready to fire on the U.S. planes. But the story that he pushed the button onr the antiaircraft missile is not true—it is absurd. In the first place, the antiaircraft missile was in the east in the Banes region. In the second place, our anti-aircraft weapons consisted of 12.7-mm machine guns, 14.5-mm machine guns, those Chinese-made four-barrel guns, and various caliber cannon. But none had necessary range to down the U-2. The U-2 could only be downed with the Soviet antiaircraft missiles.

Going back to 27 October, the order to shoot the planes was in effect. Our weapons were firing at planes that flew within range. But the U-2 could only be downed by missiles in the hands of the Soviet command. The missle that downed the U-2 was fired by a Soviet antiaircraft battery located in Banes . It appears that the officer became overly enthusiastic with the Cubans' eagerness and pressed the button.

The truth is , although we openly applauded it, we had nothing to do with this. The people were very moved by this action because the community saw that the Yankee spy planes had been punished .

I also want to say that the officer responsible for that heroic feat, the Soviet officerl who fired the missle is still alive.

[Martinez] I understand he came back to Cuba.

[Risquet] Yes, he did.

Part Seven

PA1111034090 Havana International Service in Spanish 0100 GMT 6 Nov 90

[Seventh and final part of "exclusive" interview with Jorge Risquet, member of the Communist Party of Cuba (PCC) Politburo, by Pedro Martinez Pirez, at PCC headquarters in Havana; date not given—recorded]

[Text] [Risquet] The discussions that are being held have already resulted in a consensus that will be immediately implemented without waiting for the PCC congress. In fact, the congress is already being held. The congress involves discussions and resolutions, and we are already engaged in discussions and have implemented some of the points approved by national consensus. Therefore, it is an ongoing congress.

The implementation of measures that are adopted in the discussions concern the economy, the National Assembly of the People's Government, and even the work style and structure of our own party. As you know, we have begun to introduce important changes in the party's work style and structure, ranging from the central committee and secretariat structure to the province and municipal committees, as well as the mass organizations' work style, functions, and structures.

Therefore, it is a sui generis congress that extends throughout the country: It includes the participation of all the people, agreements are being implemented based on the people's opinion, and it will end when all the congress delegates attend the sessions. The sessions will be held next year in Santiago de Cuba. You cannot say that the congress will end there, because it will be followed by the implementation of its most important resolutions. We are implementing a series of resolutions, but the most important of them will be subject to debate during the congress, then approved, and then implemented.

In other words, we are talking about a rectification process and about the culmination of the process to rectify mistakes and negative tendencies that started with the third congress. This involves a renewal of our socialism to make it stronger and more democratic and autochthonous by basing it on our traditions and our degree of economic and social development, and obviously, by taking into account the complex and difficult situation in today's world.

Every analysis of Cuba and its efforts to move forward must be based on the fact that we are a small Third World country located 90 miles from the most powerful and unscrupulous imperialism, which is currently basking in euphoria and overconfidence.

For this reason, in view of all these characteristics, traditions, or conditions, our path will always differ greatly from the path chosen by other people, who have different traditions, situations, and degrees of economic and social development. We must take into account that our revolution is our own creation. This also gives our revolution a singular nature. We achieved our independence in an unequal fight that lasted over a century. I am talking about our struggles against the colonialism of the past century and the struggles of the current century.

We chose the socialist path of our own volition. We proclaimed the socialist nature of the revolution at a time when the Cuban revolution was facing maximum danger; when our airports had already been bombed; at the funerals of members of our antiaircraft artillery units who fell in combat against pirate planes; and on the eve of the Bay of Pigs landing. We did not know whether we would only be facing the mercenary brigades or whether the U.S. troops would be behind the mercenary brigades.

At that crucial moment we did not lower our flags. Quite the contrary, we raised our flags of national independence higher than ever, and along with them we raised the flag of socialist revolution. Nobody imposed this on us; nobody told us to do this. Perhaps if we had consulted with anyone we would have been told: Do not do that yet. Or we would have been asked to remain calm and be prudent. That is our people's nature, however. What we did was right. The people—the workers, peasants, and humble people—left for Giron to fight for a loftier cause than national liberation: the cause of socialism, the eradication of the exploitation of man by man.

Actually, that was the only option we had. Socialism was the only option we had to preserve our full independence and eliminate exploitation. To eliminate exploitation, socialism must be established. This was necessary to overcome social injustice, destitution, and underdevelopment.

And what is our goal? Our goal is to give our people a full, dignified, and decent life—not the showcases of consumer societies of large industrialized countries that become rich through the exploitation of the Third World, but a dignified and decent life in which freedom, human solidarity, and fraternity among men are supreme principles.

We could be called idealists, and in fact that is what we are—well, not in the philosophical sense, but in the ethical sense—because we have ideals, believe in man, and trust our people, who challenged the colonial power and dared face the powerful imperialism that was near us.

These are the people who did not tremble during the Caribbean crisis and will not hesitate now. We will suffer material difficulties—and we are already facing the first wave of them—but we are nevertheless sure that we will overcome them and that with our efforts we will at last achieve economic autarky. I do not know whether this a somewhat technical term. I mean the achievement of economic self-sufficiency as the solid base of the socialism that we are successfully building, as sailors would say, come hell or high water. In one word, we are an optimistic lot.

Havana Province Official Addresses Corruption

FL1011190590 Havana Radio Reloj Network in Spanish 1801 GMT 10 Nov 90

[Text] It is necessary for communists and the masses to launch a fight against corruption, Jorge Lezcano, first secretary of the Communist Party of Cuba [PCC] in Havana City Province, said in addressing the assessment assembly of communists from East Havana that is underway at the theater of the Maximo Gomez FAR [Revolutionary Armed Forces] Academy in Havana.

Lezcano made these statements during a discussion of a document referring to the role of PCC members in confronting corruption and crime.

The East Havana communists denounced those who take advantage of the people's difficulties to enrich themselves, and described as disgraceful the cronyism that is causing extortion of the state.

Lezcano said that rather than to consider it natural for someone to avoid paying fares, steal alcohol from hospitals, and carry out other criminal activities, the people should raise the Mambi machete over the heads of criminals.

He told the East Havana communists that socialism in our country cannot be placed in peril by a generalization of corruption and crime, and noted that time has come to go from words to deeds. He explained that the courts have been instructed to rigorously enforce the law; if it becomes necessary to make more radical laws, it will be done, he added.

Lezcano called for increased supervision and discipline at all work centers, and for workers to implement their decision to reject such activities. He noted that the popular councils have the power to dismiss corrupt administrations.

The first agreement reached by the East Havana PCC assessment meeting was to reaffirm its unconditional support for the revolution, the party, and Fidel in present and future circumstances.

Havana Court Said To Sentence 2 Dissidents

PA1111230490 Madrid EFE in Spanish 1503 GMT 10 Nov 90

[Text] Havana, 9 Nov [date as received] (EFE)—Official sources reported today that a Havana provincial court has sentenced two dissidents, Jorge Quintana Silva and Carlos Ortega Pinera, to two years and three years, respectively, of restricted freedom.

A public oral hearing against Quintana Silva and Ortega Pinera took place this past Tuesday. The two were arrested in January, when they were enrolled as students at the University of Havana's School of Mathematics study course for workers.

The Cuban news agency PRENSA LATINA stated that the sentences imposed on Quintana Silva, 27 years old, and Ortega Pinera, 25, will be served outside prison walls, with the two carrying out their normal activities, although with some restrictions. Both men will have to present themselves to the authorities if asked to do so.

The sources reported that in 1989 Quintana Silva and Ortega Pinera carried out an active campaign of libel and slander against the top leaders of the revolutionary state.

The sources quoted statements made during the proceedings by District Attorney Sara Nieblas, who guaranteed that the accused men had enjoyed all the rights to which they were entitled during the trial, which took place in three sessions.

Castro Briefed by Delegation Returning From Iraq

FL1211161690 Havana Tele Rebelde Network in Spanish 1450 GMT 12 Nov 90

[Text] The delegation headed by Comrade Jose Ramon Fernandez, vice president of the Council of Ministers' Executive Committee, that visited Iraq 7-10 November, has returned. The delegation handed a message from Commander in Chief Fidel Castro to President Saddam Husayn.

The message included Cuba's position on the Gulf crisis and noted the need to find a political solution to the problem. This effort made by our country is in line with the constructive role played by Cuba at the Security Council. The delegation members were received by President Saddam Husayn with whom he sustained a broad exchange of views.

During their stay in Iraq, the delegation visited the medical personnel cooperating with that country. Upon its return, the delegation was received by Comrade Fidel. Its members informed him on the development of the visit.

Husayn Response to Letter Cited

FL1011124290 Havana Tele Rebelde Network in Spanish 1200 GMT 10 Nov 90

[Text] The Iraqi news agency INA has reported that Iraqi President Saddam Husayn received Cuban Vice President Jose Ramon Fernandez, who delivered a letter from Commander in Chief Fidel Castro.

According to the source, Fernandez informed the Iraqi president of the Cuban Government's views on the critical situation prevailing in the Persian Gulf.

INA cited Husayn as saying that although Iraq loves peace, it will fight bravely against the invaders if they participate in a war against him.

The war goes against all the interests of the peoples of America, Europe, and the world, and if an invasion occurs, the invaders will be defeated, no matter how much damage they do to Iraq, the Iraqi chief of state is cited as saying.

Castro Receives Cypriot Party Leader Khristofias

FL1211154890 Havana Tele Rebelde Network in Spanish 1450 GMT 12 Nov 90

[Text] On Saturday, Commander in Chief Fidel Castro met with Dhimitrios Khristofias, secretary general of the Restorative Party of the Working People of Cyprus, AKEL, who was visiting our country. During the course of the meeting, which was held in a fraternal atmosphere, matters regarding the fruitful relations between the AKEL and the Communist Party of Cuba were discussed and an exchange of views about the main international issues was held. Comrade Fidel reiterated Cuba's solidarity with the Cypriot people for a Cyprus free of all types of foreign occupation and for a neutral, independent, and nonaligned country.

Rafael Rodriguez Attends Akihito Coronation

FL1011192990 Havana Radio Reloj Network in Spanish 1912 GMT 10 Nov 90

[Text] Latin America will be represented on Monday at the coronation ceremonies of Japanese Emperor Akihito by 10 presidents, four vice presidents, and three prime ministers.

Among the first to arrive were Presidents Fernando Collor de Mello of Brazil, Rafael Callejas of Honduras, Jaime Paz Zamora of Bolivia, and Carlos Menem of Argentina, as well as Cuban Vice President Carlos Rafael Rodriguez.

According to unofficial sources, the Latin American dignitaries will take advantage of their presence in the Japanese capital to meet with Prime Minister Toshiki

Kaifu or Foreign Minister Taro Nakayama, to discuss bilateral relations and Japanese aid to their respective countries.

Tokyo is being patrolled by some 37,000 policemen, mobilized to guarantee security at Akihito's coronation ceremony, which has been threatened by what are believed to be extremist groups.

Tokyo Activities Reported

FL1211214990 Havana Radio Reloj Network in Spanish 2102 GMT 12 Nov 90

[Text] The Japanese newspaper ASAHI SHIMBUN today carries a broad report on an interview granted by Cuban Vice President Carlos Rafael Rodriguez, who is in Tokyo attending the proclamation ceremonies of Emperor Akihito.

In the interview, the high-ranking Cuban leader discusses various matters related to the international situation and Cuba's positions. The interview carried by ASAHI SHIMBUN, one of the three largest Japanese national newspapers, gives Carlos Rafael Rodriguez's comments on the progress of economic cooperation between the two countries and the satisfactory links with Japan.

As part of its activities in Japan, the Cuban delegation headed by the vice president met with Japanese Foreign Minister Taro Nakayama.

Ross Departs for WFTU Moscow Congress

FL1211235890 Havana Television Service in Spanish 1800 GMT 11 Nov 90

[Text] Pedro Ross, alternate member of the Politburo of the Communist Party of Cuba and secretary general of the CTC [Cuban Workers Federation] has departed for Moscow at the head of the Cuban delegation that will participate in the 12th Congress of the World Federation of Trade Unions [WFTU]. The event will take place from 13-20 November in the Soviet capital. It will deal with matters of vital importance for the development of the international labor movement.

Cuba currently holds one of the WFTU vice presidencies. It is also a founding member of the organization. Before his departure, Pedro Ross commented on the importance of the meeting.

[Begin Ross recording] We advocate a renovation of the WFTU to make it capable of meeting the requirements of the present labor movement and the needs of workers. There are many unemployed workers in the world. Workers are feeling a great deal of uncertainty in the capitalist countries. There is the problem of women's rights; in sum, there are problems about rights that are essential to the working class in any part of the world and in any country; rights that are guaranteed in our country. [end recording]

Soviet Official Praises Care for Soldiers

FL1311015490 Havana Radio Rebelde Network in Spanish 2129 GMT 12 Nov 90

[Text] (Pavel Vladimirovich), president of the Committee for Internationalist Fighters Affairs of the USSR Supreme Soviet [title as heard] today highlighted in Havana all the things that he has seen in Cuba, especially matters related to health and research.

During a news conference, the Soviet official, who heads a delegation invited by the National Assembly of the People's Power, praised the policies followed by Cuban authorities and their painstaking attention to internationalist fighters and their relatives. He emphasized the aid given by Cuba to wounded Soviet soldiers and children injured in the Chernobyl accident.

The Soviet official spoke enthusiastically of his meeting with Cuban Commander in Chief Fidel Castro. He said that he was enormously impressed by Castro, because the Cuba president is an unusual personality with knowledge of all subjects.

On other matters, the Soviet leader said that he has great respect for a country like Cuba that is very aware of its history. In the course of the news conference, the vice president of the Committee for Internationalist Fighters Affairs said that he was very moved by the hospitality of the Cuban people, as manifested in their usual cordiality and solidarity toward Soviets who are receiving medical treatment on the island.

The Soviet dignitary said that on arriving in the USSR, he will make an effort to see that all the Soviet people are aware of the careful attention that Soviet fighters and children are receiving in Cuban facilities.

Independent Trade Union Center Founded in Havana

AU0811160090 Prague HOSPODARSKE NOVINY in Czech 6 Nov 90 p 4

[CTK report in the "Facts and Events" column]

[Text] Employees of the Alquitex textile factory in the Alquizar quarter of Havana have established with help from the Cuban Committee for Human Rights (CCHR) an independent trade union center in the defense of labor and human rights. CCHR representatives briefed the CTK correspondent in Havana about this.

Joint Venture with Spanish Specialists Noted

FL1211131590 Havana Tele Rebelde Network in Spanish 1200 GMT 12 Nov 90

[Text] Spanish and Cuban specialists are working on the technical installation of a sawmill located in the Pinar del Rio area of Macurijes. It will be the largest and most modern in the province. This installation will incorporate the latest Spanish technology and will the capability to process 30,000 cubic meters of wood annualy. It should be completed about 30 November so that operations can begin in December, and the first cubic meters of wood can be processed by the end of the year.

The construction of the sawmill began at the beginning of the year. In addition to other units in the province, the Industrial Enterprise No.1 is participating in its construction and installation. The most advanced areas of the project are the administrative building, the sentry box, the warehouse for grease, lubricants and oxygen and acetylene. The warehouse for general supplies is practically completed.

Electronics Document Signed With PRC Official

FL0911123590 Havana Tele Rebelde Network in Spanish 1200 GMT 9 Nov 90

[Text] Chinese vice governor of the city of (?Tianjin), Mr. (Yang Chengon), who has been visiting our country for the past 12 days, and Hector Casal, vice president of the Automated and Technical Computer Systems Institute, have signed a cooperation document on behalf of Cuba and the PRC in the electronics field. The document expresses the two parties' intentions of establishing mutually beneficial cooperation, such as cooperative enterprises. This document suggests, among other things, testing Chinese electronic equipment in Cuba, thus assessing its resistance to tropical conditions to determine if it can be used in Cuban tourism installations.

The city of (?Tianjin) is the third most important one in China. It has a population of more than 8 million people and it is outstanding because of its electronics development. The city has more than 160 electronics firms, four corporations, and electronics research institutes.

A Cuban delegation will visit that city in December representing Cuba's young electronic industry.

Angolan Ambassador To Speak at Anniversary Event

FL1011161190 Havana Radio Reloj Network in Spanish 1514 GMT 10 Nov 90

[Excerpt] Angolans in Cuba are going to celebrate two important events. A meeting will be held at 1100 [1600 GMT] today, at the Fabrica Aguilar Basic Secondary School here in the capital with relatives of fighters who fell in Angola and members of the community of that fraternal country residing in Havana City. This will mark the official beginning of activities to mark the 15th anniversary of the liberation of the People's Republic of Angola and the establishment of government relations between Cuba and that African nation.

This information was given to Radio Reloj by (Victor Natalier Narciso), cultural attache of the Angolan Embassy in Cuba, who added that the main ceremony to mark the anniversary will be held on Monday, 12 November at 1600 [2100 GMT] at the Basic Industry Ministry. Speakers at that ceremony will be a leader of the revolution, and Angolan Ambassador to Cuba Luis Dokui Paulo de Castro. [passage omitted]

Comments on Bilateral Relations

FL1311005290 Havana Television Service in Spanish 1800 GMT 11 Nov 90

[Interview with Luis Dokui Paulo de Castro, Angolan ambassador extraordinary and plenipotentiary, by Fritz Suarez on occasion of the 15th anniversary of Angolan independence; place not given—recorded]

[Text] [Suarez] Mr. Ambassador, what are the main tasks that your government is presently embarked upon?

[De Castro] At this time, we feel that the main task of our party and government is to achieve peace, political stability, and economic recovery, without neglecting the tasks of defense. In this regard, the Council of Ministers approved, in the month of September, a government plan to implement a program for economic and financial growth.

[Suarez] What are the main topics to be discussed in the Third Congress of the MPLA [Popular Movement for the Liberation of Angola]?

[De Castro] The Third Congress of the MPLA will have an important agenda, because in addition to discussing the ratification of important measures that were already approved by the Central Committee, it will have to make a decision on changes that have been proposed for the party in this time of change worldwide.

[Suarez] Mr. Ambassador, what is the status of relations between the People's Republic of Angola and the Republic of Cuba?

[De Castro] Current relations between Angola and Cuba continue to be good. They are fraternal, and the fact that the Cuban internationalist forces are returning to their homeland cannot be interpreted as a change in relations. Contrary to what certain Western media have claimed, relations between Angola and Cuba have changed only in the military sphere, but Cubans have been working, and continue to work in different areas, such as education, health, and construction.

Guinean Ambassador Previews Presidential Visit

FL1311024790 Havana Tele Rebelde Network in Spanish 0100 GMT 13 Nov 90

["Exclusive" video interview with Guinean Ambassador Lamine Sougoule by unidentified reporter on 12 November; place not given—recorded]

[Text] [Reporter] Mr. Ambassador, considering the traditional ties of friendship between Guinea and Cuba, in what context of our bilateral relations do you place Guinean President Lansana Conte's upcoming visit to Cuba?

[Sougoule] The world today is faced with a situation with which we have long been familiar. When a country is facing difficulties, however, its friends should show themselves.

That is why my president is coming to Cuba. The commander in chief has said that the relations between Guinea and Cuba are not an issue of persons; it is a relationship between the Cuban and Guinean peoples.

Bolivian Delegation Tours Naval Facilities

FL1011172590 Havana Tele Rebelde Network in Spanish 1100 GMT 10 Nov 90

[Text] A delegation from the Colonel Eduardo Avarao National School of Higher Studies of the Republic of Bolivia visited the Granma Naval Academy where future officers of the Revolutionary Navy are trained. The visitors were accompanied on their tour by Rear Admiral Pedro Perez Betancourt, chief of the Cuban Revolutionary Navy, and other chiefs and officers of the FAR [Revolutionary Armed Forces].

The members of the Bolivian delegation received a general briefing on the Naval Academy, its history, and the main features of the courses offered there. They also toured some areas of the school and received a demonstration of the (?resources) available to the Navy in repelling a possible enemy attack.

They visited surface units, such as rocket and torpedo launches, as well as minesweepers.

At the end of the tour, presents were handed out as mementos of this visit, which is of great importance for reaffirming the ties and points of convergence that exist between Cuba and other Latin American peoples.

Departure Noted

FL1311033790 Havana Radio Rebelde Network in Spanish 0004 GMT 13 Nov 90

[From the "Exclusivo" program]

[Text] A delegation from the National School of Higher Studies, the highest-ranking military academy in Bolivia, has returned to La Paz at the end of an official visit to Cuba.

The delegation, made up of approximately 60 students, most of them colonels from the Army, Air Force, and Police, and ship-of-the-line Navy captains, spent one week on the island.

During their stay in Cuba, the Bolivian officers visited the Cuban Revolutionary Armed Forces [FAR] installations and talked with high-ranking FAR officials.

Antigua and Barbuda

Commission Report on Arms Scandal Detailed

FL1211164590 Bridgetown CANA in English 1852 GMT 11 Nov 90

[Report by Rickey Singh]

[Text] Bridgetown, Barbados, Nov 11, CANA—A commission which probed Antigua and Barbuda's involvement in the transshipment of Israeli arms to Colombian drug lords, said the twin-island state was "engulfed in corruption" and had fallen victim to persons who "use political power as a passport to private profit."

These scathing observations and wide-ranging recommendations of the one-man commission of inquiry, headed by British jurist Louis Blom-Cooper, form part of a 230-page report which has been shared with the CARIBBEAN NEWS AGENCY (CANA). The report has not been released by the Antigua Government.

Among his 24 listed recommendations, Blom-Cooper said no criminal proceedings should be taken against the four Antiguans who were at the centre of his five-month-long probe—former Public Works Minister Vere Bird Jr., Lieutenant Colonel Clyde Walker, the commander of the Antigua and Barbuda Defence Force, and two customs officers. Blom-Cooper, however, did not rule out the possibility of one of the four, Vere Bird Jr., having to "face civil proceedings for the recovery of any ill-gotten gains."

Furthermore, the British Queen's Counsel recommended that Vere Bird Jr., eldest son of Prime Minister Vere Bird Sr., "should not hold any public office again." Vere Bird Jr. was relieved of his cabinet responsibilities prior to the government's appointment of the commission in May this year.

The commission also called for the immediate dismissal of Defence Force Commander Colonel Walker, deemed an accomplice of Vere Bird Jr. and an Israeli businessman, Maurice Sarfati, described as "an adventurer."

In the words of Commissioner Blom-Cooper, "the scandal which surfaced in Antigua in April 1990 around the plot to provide a school to train mercenaries for the illegal armed forces of the (Colombian) Medellin drug cartel, and which led to the criminality not only of a prominent minister of the crown in Antigua, in unholy alliance with the commander of the Defence Force, but also with the assistance of a prominent shipping agent and a customs officer, reflected the age-old pressures of human nature—greed, the thirst for power, and finally to unbridled corruption...."

Prime Minister Vere Bird is currently under pressure from both within his government and domestic opponents to publish the report and to take all necessary action on the recommendations. But he has stated that his government would need to "give careful consideration to all aspects of the matter before deciding what should be the next step."

"There can be little doubt," declared Blom-Cooper in his report made available to Governor General Sir Wilfred Jacobs on November 2, "that the findings in this report will be a severe blow to Mr. Vere Bird Jr. personally and to his father, the prime minister." The commissioner said he was "not unaware of the unswerving support which the father has bestowed on his elder son throughout these trying times."

"Still more," added Blom-Cooper, "Vere Bird Jr. may yet face further inquiries as and when his bank account accounts have been thoroughly examined, he may have to face civil proceedings for the recovery of any ill-gotten gains."

The commissioner said "it is quite possible, however, that he (Vere Bird Jr.) will become both politically and socially an outcast in Antigua and even in neighbouring Caribbean countries.

"All of these consequences that may befall Mr. Vere Bird Jr.," he added, "are more than ample to satisfy a public demand for punishment." As for Colonel Walker, the commissioner said his "distinguished career as a policeman and soldier is in ruins."

"I do not doubt," said Blom-Cooper, "that he will face the disgrace that he has brought to his high office in the Defence Force with shame. His dismissal must be instant. Indeed, in my view, he should have been suspended from duties as long ago as April 6, 1990."

That was the date when, in response to a letter from a Colombian diplomat, Antigua and Barbuda's Deputy Prime Minister Lester Bird, younger brother of Vere Bird Jr., initiated action that finally led, on his insistence, to the establishment of the judicial probe by Mr. Blom-Cooper.

Blom-Cooper also called for the dismissal of customs officer Glenton Armstrong; a judicial inquiry into the business dealings between the Antigua and Barbuda Government and Israeli businessman Sarfati; and an investigation by the Israeli Government to determine how Sarfati and a group of Israeli military personnel were able to conduct the illegal arms shipment to Antigua and Colombia.

Other recommendations were:

—the undertaking of administrative reforms by the Antigua and Barbuda Government to remove from the register of companies the business enterprise known as "Antigua Promoters Limited," and for the registrar of companies to review the procedures for dealing with "recalcitrant companies."

—the Antigua and Barbuda Government should "carefully study" recent corruption legislation in Hong Kong, in its promise of anti-corruption legislation, in order "to have a better law tomorrow than ineffective law today."

—restructuring of the National Security Council of the twin-island state with appointments of non-ministerial members being made by the governor-general after consultation with the prime minister, instead of the current practice of "on the advice of the prime minister."

—the law and practice relating to customs and immigration should be "thoroughly reviewed" with these officers being provided with either a manual or a handbook setting out in ordinary language the "relevant legal provisions and the minimum standards of practice."

—the prime minister and his cabinet should give immediate consideration to the establishment of the office of ombudsman as provided for in the country's Constitution.

—there should be a review of the government's system of having special envoys in order to comply with the relevant section of the Constitution.

This latter recommendation is linked to the commission's findings that Sarfati had acted as a "special envoy" for Antigua and Barbuda in the arms shipment plot that involved forging of documents bearing the signature of Vere Bird Jr.

Blom-Cooper concluded that "the uncovering and public unveiling by the commission of inquiry of the scandal may yet spare this numerically small island community in the Caribbean sun from a "deluge" of corruption that might seem destined to engulf it.

"Antiguans and Barbudans," he added, "for so long locked into a time warp, have the opportunity to unfasten the grip of those who impermissibly use political power as a passport to private profit."

Bahamas

Government Bill Proposes New Loans To Pay Debts

FL0911170090 Bridgetown CANA in English 1443 GMT 9 Nov 90

[Report by Athena Damianos]

[Text] Nassau, the Bahamas, Nov 9, CANA—The Bahamas Government is being forced to borrow money to pay debts, the new Minister of Finance Paul Adderley, has admitted.

He told the House of Assembly Thursday it may very well be that the 1990 shortfall in revenue will be in the order of 75 million dollars to 80 million dollars (U.S.). Adderley was speaking on a resolution to borrow 50 million dollars, 35 million of which would be used to service short-term debts. The remaining 15 million would be used to complete capital development projects.

Adderley, who hopes to start the 1991 budget process on November 21, said the resolution would not normally have been moved until mid-December, but "it is essential that (it) be dealt with as expeditiously as possible."

The revenue for 1990, which last December was estimated to be 581 million dollars, will not be met by "a significant number of millions of dollars," the minister reported. He said that "nowhere near" the projected amount will be realised by December, 1990. As of September 30, unaudited figures pegged the revenue at 385.4 million dollars.

Pulling no punches, Adderley said: "Either we borrow to pay or we face a more serious problem." He admitted that borrowing to pay debts is not the best way to conduct the public's finances.

"But, in our particular case at this time it is, I fear, the only way to conduct the public finances of the Bahamas. The alternative is infinitely [word indistinct].

The 35 million [word indistint] will be applied to short-term debts to the National Insurance Board, various deductions which are made with regard to employees of public service salaries, and telecommunications corporation, water sewerage corporation, and electricity corporation accounts. Apart from the National Insurance Board, which is owed slightly more than 7 million dollars, the largest single item is under miscellaneous creditors.

Adderley said that the cost of running the government is very high. The single most significant element in that high cost is public officers' salaries which this year will be in the neighbourhood of 300 million dollars, he said. The Bahamas has a population of approximately 250,000.

"If we take out debt servicing which will be slightly more than 100 million.... of public expenditure, public officers' salaries is somewhere between 70 and 75 per cent of our recurrent budget," said Adderley.

The second most significant element is the miscellaneous matters of which there are hundreds in the budget called "other charges," he reported. These have been escalating at an "enormous pace" over the last 10 years, he complained.

Bank Governor Predicts Economic Growth Slowdown

FL1211134290 Bridgetown CANA in English
2006 GMT 10 Nov 90

[Text] Nassau, the Bahamas, Nov 10, CANA—The governor of the Central Bank, James Smith, has warned that the Bahamas is likely to experience a noticeable slowdown in economic growth over the next two years. He also warned of balance of payment problems and downward pressures on the country's foreign reserves if the growth in credit continues to exceed the rate of domestic savings. And he said that any attempt to devalue the Bahamian dollar, which is on par with the U.S. dollar, is likely to result in "serious economic disruptions on a scale that is unprecedented in our economic history."

Smith was addressing the Bankers Association of the Bahamas and the Bahamas Chamber of Commerce. The Bahamas' external reserves are likely to be under continuous pressure and the country's oil bill could increase by nearly 50 percent, he remarked.

Immediate concern, said Smith, must be expressed for the tourist sector over the next year or two based on the possibility of a major slowdown in the U.S. economy and its possible effects on travel from that region, the increased competition from other destinations, and increased operating costs in the industry as a result of energy prices increases sparked by the Gulf crisis.

"If this scenario persists into the early 90's, then it is likely that costs cutting and streamlining measures may be adopted by the local tourist industry which in turn would affect national income," he admitted.

In the offshore banking market, adjustments are already taking place by the banks to protect profit margins as a result of higher loan loss provisions, higher capital requirements, and increased competition, said Smith.

On the domestic banking scene, Smith predicted that liquidity will continue to be tight unless concrete steps are taken to raise the local savings rate, reduce the public sector deficit, and generate net inflows of foreign exchange on a sustained basis.

With respect to government finances, he said that the public sector "is faced with a dilemma that should prove vexing to the authorities over the next few years."

"On the one hand, there is an urgent need to grapple with the growing recurrent deficit, but on the other hand, any attempts to reduce the gap by restraining income (tax increases or expenditure cuts) is likely to impact adversely on the level of import duties which represent almost 60 percent of central government's revenue," he said.

The resolution in this dilemma is likely to determine the rate of economic growth in the Bahamas over the short term, he reported. Over the next few years, the Bahamas will experience a noticeable increase in the foreign component of the national debt and the country will need a stable and predictable currency to service the foreign debt in the years ahead, he calculated.

Smith noted that 82 percent of the gross domestic product is imported principally to support tourism, the country's main industry. Given this state of affairs, a devaluation of the currency is likely to make imports more expensive and increase the price of the tourist product and other domestic prices, he said.

"The overall consequences of devaluation of the Bahamian dollar would likely be a dramatic increase in inflation accompanied by a simultaneous fall-off in tourism which should lead to a reduction in output and an increase in unemployment," he warned.

Over the past three years, he said, Bahamians have borrowed more than they saved and more than the tourist sector was able to generate to make up the difference. As a result, there has been a "substantial, though not critical" decline in the level of foreign currency reserves, he reported.

He said that the apparent inability of the domestic system to meet credit demands by individuals, companies, and the government sector has given rise much speculation regarding the health of the economy.

Barbados

Sandiford Mentions European Investment Bank Loan

FL1211145090 Bridgetown CANA in English 1651 GMT 11 Nov 90

[Text] Bridgetown, Barbados, Nov 11, CANA—The European Investment Bank (EIB) is lending Barbados 19.6 million dollars (one Bds dollar = 50 cents U.S.) to support the development of the island's main productive sectors, Prime Minister Erskine Sandiford announced.

Sandiford, speaking Saturday night at an awards ceremony held by Courts, a leading furniture and appliance retailer, said the money, in two loans, was earmarked for projects in manufacturing, agro-industry, tourism, and fisheries. The funds will be provided through the state-owned Barbados Development Bank (BDB).

Sandiford also announced that government had commissioned two studies on the manufacturing, a sector government is relying on to enhance foreign exchange earnings through increased exports. One study focused on the problems facing indigenous manufacturing and proposed solutions, he said. The other, to be completed shortly, examines Barbados' export competitiveness.

Dominica

Charles, British Commissioner Sign Aid Agreement

FL0911185590 Bridgetown CANA in English 1803 GMT 9 Nov 90

[Text] Bridgetown, Barbados, Nov 9, CANA—Prime Minister Eugenia Charles of Dominica and out-going British High Commissioner Kevin Burns signed a five million pounds sterling aid agreement here on Friday. The grant will partly be used to develop waterfront property to boost Dominica's tourist industry.

It brings the British development assistance to Dominica to 16.5 million pounds since the island gained political independence from Britain in 1978.

Burns told reporters that Britain's provision of aid to Dominica in the form of a grant is a "return to a style of economic assistance which seems more appropriate to our possibilities and to Dominica's needs."

Prime minister Charles said Britain "thinks sufficiently of us and they consider.... that they have a right and a duty to help us to become economically independent."

Charles Intends To Retire

FL0911144490 Bridgetown CANA in English 1342 GMT 9 Nov 90

[Report by Reudon Eversley, CANA Senior Editor]

[Text] Bridgetown, Barbados, Nov 9, CANA—Dominica's Prime Minister Eugenia Charles has restated her intention to retire from active politics at the end of her current term, and expects a smooth change of leadership of the ruling Dominica Freedom Party (DFP).

"Any member in cabinet now can be a leader," she said. "I think we have no problems in finding a leader. I won't be the one to make the choice (but) the change of leadership will go smoothly."

Charles, in Barbados on a two-day visit, discussed her political future and major issues confronting her three-term administration in an interview with the CARIBBEAN NEWS AGENCY (CANA).

Charles, a 71 year old lawyer, said she expected the next DFP leader to be chosen at a delegates convention around the penultimate year of the government's present five-year term. She hoped, however, that Dominica's next general election would take place with the island as part of a political union with the other three Windward Islands.

In retirement, Charles said she planned to concentrate on expanding the mass base of the Freedom Party. The demands of being prime minister, she said, did not allow much time for this type of work. Charles rejected as a "fabricated rumour" reports of dissension within her government. Saying the political opposition was responsible, she added the rumour was aimed at undermining the government which, she said, the opposition saw as being unable to survive for long with a one-seat majority.

Concerning a present stalemate with public workers over increased pay, Charles said her government did not intend going beyond its offer of 18 percent. The Civil Service Association (CSA) is asking for 28 percent. The union took strike action last week to press its demand. Charles said the issue would have to go to arbitration.

"We must be reasonable because if we pay what we can't afford, then we are virtually closing down the island," she said.

She said the government's offer was reasonable, noting it was above the current 11 percent inflation rate. Charles said a priority of her government was expanding employment. As a result, she said, her government was seeking to direct available local resources whenever possible into activities that would create jobs. She cited construction of a cruise ship berth.

"We have to look for ways of getting other people employed so that (economic) growth can continue and it would be much easier to give salary increases," she said.

She said her government had brought down unemployment from 31 percent which it took office in 1980 to 20 percent. She said some workers felt the government's recurrent budget should be used mainly to pay salaries and that capital projects should be financed through borrowing.

"Too steep an increase (in debt) would put us on the wrong side of things," she said. She said the present debt was manageable but was unable to give the dollar figure.

Regarding the political union initiative by Dominica, Grenada, St. Vincent, and St. Lucia, Charles said the leaders were aiming to consult the people in a referendum by next June. The next step will be a constitutional referendum, she said. Once this is approved, it should take no more than a year to get the union in place, she added.

Charles expressed preference for the four islands to be merged into a unitary state. She also put forward the idea of a "commissioner" for each island who would be elected to sit in Parliament, but whose principal role would be to stay in touch with domestic concerns in each island and liaise with the central government.

Grenada

IMF Demands Payment on Maurice Bishop Loans

FL0911174390 Bridgetown CANA in English 1701 GMT 9 Nov 90

[Report by Richard Simon]

[Text] St. George's, Grenada, Nov 9, CANA—Threatened with penalties, the Grenada Government is trying to raise money to repay nearly 30 million East Caribbean [EC] dollars slain leftist Prime Minister Maurice Bishop borrowed from the International Monetary Funds between 1979 and 1983.

A statement from the Ministry of Finance says "the Nicholas Brathwaite administration is busily engaged in identifying and raising monies to repay four IMF loans raised by the PRG (People's Revolutionary Government)." An official from the ministry reported the loans were used for balance of payments and budgetary support to Grenada. They totalled EC 28 million dollars (one EC dollar = 37 U.S.cents).

The statement said Fund officials had made it clear during a recent visit to St. George's that the monies "must be repaid or else Grenada will be penalized by the IMF."

"The present administration now has to manage these huge debts and annually raise resources to service them in order to qualify for assistance for development projects from donors," the Finance Ministry reported.

Finance Minister George Brizan said recently: "It is easy to spend; the difficult job is to raise money to repay, especially when money is scarce."

More than eleven million dollars came through an IMF standby agreement with another six million through the IMF trust fund loan scheme. Grenada drew another three million dollars from the IMF extended fund facility and seven million came through the IMF compulsory financing facility.

An IMF team recently visited St. George's seeking direction from the eight-month-old government on how it intends to trim the growing budget deficit which finance sources say could reach EC 30 million dollars in 1991. Already, the sources who requested anonymity, say the projected deficit of EC 11.2 million dollars after the presentation of what has become known as the "holding budget" in April of this year has grown to about fifteen million dollars. Part of a 27 million dollar loan from the Republic of China could be used in financing the budget deficit.

Haiti

General Claude Raymond Contests CEP Decision

FL0911154090 Port-au-Prince Radio Metropole in French 1700 GMT 8 Nov 90

[Excerpt] Two days after the Provisional Electoral Council [CEP] disqualified his presidential candidacy, Claude Raymond [former Army general and Jean-Claude Duvalier interior minister] has sent a letter by courier asking for a second reading of his file. Armed with proof, Claude Raymond rejects the arguments used by the CEP that his Liberal Democratic Party [PDL] registered, in accordance with Justice Department regulations, on 10 August and was recognized on 23 October, meaning two days after voter registration ended. [passage omitted]

Leslie Manigat Questions CEP Disqualification

FL0911145090 Port-au-Prince Radio Nationale in Creole 1400 GMT 8 Nov 90

[Report on news conference held by Professor Saint-Rock Leslie Francois Manigat, former Haitian president, at the Oloffson Hotel, in Port-au-Prince on 7 November]

[Text] Disqualified presidential candidate, former Haitian President Professor Leslie Manigat, has rejected the way in which the Provisional Electoral Council [CEP] disqualified his presidential candidacy. Leslie Manigat was very indignant yesterday, 7 November, because the CEP rejected his presidential candidacy for the upcoming 16 December elections and he denounced what he called "political crooked wheeling and dealing."

In statements addressed to the Haitian nation and to the world, former President Leslie Saint-Rock Francois Manigat refuted the CEP's decision that he personified something wicked and dictatorial. This is a new low blow, a frivolous diktat, one in which he is a victim of the CEP.

He denounced all the CEP members and described them as "little men," operating and executing orders, playing a Machiavellian game. He questioned the honesty of the CEP members in organizing the forthcoming elections. He said that even the voter registration was a sham. He added that he has been labelled a miscreant, someone who supposedly disturbs the CEP members in the dance they are leading, a dance which is already planned for the forthcoming 16 December elections. Manigat stated: This is a man who deserves to be eliminated because he was trying to eradicate corruption within the country.

The former president, Professor Saint-Rock Manigat went on saying that everybody knows, very well, who is responsible for what will happen in this country. He called for a huge national protest, adding that he will bring the matter before the court.

The CEP justified their decision by citing Article 134 of the 1987 Constitution which prohibits reelection of a Haitian president within a five-year period. According to Leslie Manigat, this article prohibits a president from succeeding himself after a five-year mandate, but he pointed out that he actually exercised his mandate for only four months and ten days in 1988. This means that Professor Manigat did not have five years in power. And there have been three governments that have succeeded him after the Namphy coup d'etat against him. These provisional presidents were first, General Henry Namphy; second, General Prosper Avril; and third, current President Mrs. Ertha Pascal Trouillot. Therefore, he would not be succeeding himself on 16 December because he is not ruling now in Haiti. He said that if they evoke.... [rephrasing] they talk about the validity of his presidential mandate as he was installed as president of Haiti on 7 February 1988 for five years. Well, his mandate remains in hand. This means he is still president of Haiti because he has never resigned and presidential elections have not been organized at the end of his mandate which is supposed to expire in 1993.

Furthermore, Professor Saint-Rock Leslie Manigat pointed out that the next presidential elections are null and void, explaining that, if he cannot solicit a second mandate, he has the perfect right to ask for completion of his constitutional mandate, the mandate according to which he has a term of four years, seven months, and twenty days left.

CEP Official Justifies Decision

FL0911200890 Port-au-Prince Radio Haiti-Inter in Creole 2100 GMT 8 Nov 90

[Interview with Marc Antoine Noel, Provisional Electoral Council [CEP] director general and member, by reporter Jean-Laurent Nelson in Port-au-Prince on 8 November—recorded]

[Excerpts] [Noel] First of all, I have to say that he [Manigat] began by standing as a candidate; that is to say he approached the CEP as a presidential candidate, and that truly has many implications. Among these implications is his acceptance of the electoral law. The electoral law states: One cannot solicit a second mandate before the end of five years. What does that mean? [passage omitted] One cannot apply for the position before the end of five years. This is what it means. [passage omitted]

I am not a jurist, I am not skilled enough in.... [changes thought] I have never studied law but I think these laws are made to be understood and known by everybody. Did he apply for the position? Yes, he did. Did he get the position? Yes, he did. Yes to all.

[Nelson] Are you referring to 7 February 1988?

[Noel] I am talking about 17 January 1988. Did he run for the position? Yes, he did in November [1987] as well as in January [1988]. Did he get the position? Yes, he did and there is historical proof that he held the position. [passage omitted] It is quite clear.

[Nelson] Manigat himself outlined his position, saying that his mandate has not yet expired. He has not performed his mandate because it is a five-year mandate.

[Noel] Well, In this case, it is Mrs. Trouillot who he has to deal with. Why did he not make General Namphy who prevented him from performing his mandate? [sentence as heard] Namphy is who he should be dealing with. Then, he should be dealing with General Avril and then with Mrs. Trouillot. I have never heard that he sent stamped papers to them. We are here to hold elections. He came and told us: I came for elections. [words indistinct] As a candidate. I did not know he came for elections as president. If he had told me he had come for elections as president, I would have told him: Take your place and then the problem will be solved.

[Nelson] But Saint-Rock Leslie Francois Manigat said that the CEP is under political pressure and that there is nothing legal to its decision.

[Noel] One more time, I am not an expert in legal matters, I have not studied law. I am not as skilled as all those eminent people but I read a law text that does not give the opportunity to interpret it any way according to me: One cannot solicit this position as long as five years have not [yet] passed. [passage omitted]

[Nelson] Some people are speaking of the 17 January 1988 elections as having not been validated by the people. What does the CEP say to these considerations?

[Noel] I am eager to say again exactly what I just said. [passage omitted] I am not interested in knowing. In fact, he received honors. Other nations recognized him and so on. [passage omitted].

From the moment we decided to give him a receipt for his candidacy deposition, we considered him a candidate like all the others. [passage omitted] If he comes to stand as a candidate, that means he knows he is not president.

Jamaica

Manley Announces 'Major Cabinet Reshuffle'

FL1311144090 Bridgetown CANA in English 1404 GMT 13 Nov 90

[Report by Julie Chen]

[Text] Kingston, Jamaica, Nov 13, CANA—Jamaican Prime Minister Michael Manley, in a surprise move on Monday night, announced a major cabinet reshuffle in which Deputy Prime Minister P.J. Patterson was given responsibility for finance. The changes, which take effect next Monday, were the first by the 22-month-old People's National Party (PNP) government.

Seymour Mullings, the minister of finance, was reassigned to the Ministry of Agriculture replacing Horace Clarke who was named minister of mining and energy. In 1979 under a previous PNP government, Mullings served as minister of agriculture while Clarke as minister of mining resources from 1976 to 1977. Mining and Energy Minister Hugh Small was put in charge of a revamped Ministry of Industry and Commerce.

In a statement, Prime Minister Manley said the changes were made as a result of a "continuing review of the functioning of the government" and in light of the new market-based economic strategy being implemented.

"The machinery of government is being further streamlined to ensure the most effective co-ordination of economic policies and programmes and to provide an efficient basis for performance by the productive sectors," Manley said.

Manley said ministers would remain in charge of their present portfolio responsibilities during this week and details of the specific subjects and departmental assignments would be announced by week-end. New responsibilities to be undertaken by the office of the prime minister would also be announced then, he said.

The private sector, meanwhile, welcomed the reconstitution of the Ministry of Industry and Commerce which was disbanded in April when the relevant minister was fired. Major Anthony Robinson, president of the Jamaica Manufacturers Association (JMA), one of the ardent advocates for the reformation of the ministry, said the association looked forward to a "close and profitable relation" with the new Minister Hugh Small.

Robinson noted that over the last week, Deputy Prime Minister P.J. Patterson who had responsbility for manufacturing, had apparently become so pressured that "it was virtually impossible to talk to him." The Private Sector Organisation of Jamaica (PSOJ) also welcomed the re-establishment of the Ministry of Industry and Commerce.

IMF Agreement Provides Further $35.5 Million

FL0911183090 Bridgetown CANA in English 1746 GMT 9 Nov 90

[Text] Kingston, Jamaica, Nov 9, CANA—The Jamaica Government is cutting back on capital spending and increasing tax revenue under a revised deal with the International Monetary Fund. The modified agreement with the fund was approved on Wednesday.

The agreement which was negotiated after Jamaica failed the March economic performance test for continued aid will allow the country to draw down—on November 15—a further U.S. 35.5 million dollars under the U.S. 106 million dollar loan deal. Jamaica had received an earlier tranche of U.S. 17.8 million dollars in March.

Under the modified agreement which was reached after months of negotiations, the public sector deficit is to be reduced to 3.5 percent from the original target of 4.4 percent of gross domestic product. The economy is expected to grow by three percent while the net international reserves are programmed to grow by U.S. 67 million dollars, officials here reported. Consumer prices are expected to rise between 15 and 20 percent rather than by 8 percent as was projected in the original programme.

Finance Minister Seymour Mullings who announced the details at a press conference said that in reducing the deficit the government will cut capital expenditure by J 150 million dollars (one J dollar = about 14 U.S. cents). In addition the government has introduced a series of tax measures to raise an additional J 140 million dollars in revenue.

Other cost cutting measures included retrenchment and reorganisation of some state companies. Also, public sector entitites will not be allowed to operate "unauthorised" overdrafts with the Bank of Jamaica, the minister reported. The Bank of Jamaica is to gradually reduce its debt service arrears which now stand at U.S. 175 million dollars and this should be eliminated by the end of next March, according to Mullings.

The finance minister explained that arising out of the negotiations, the government had been able to establish a J 100 million dollar social support programme announced last week by Prime Minister Michael Manley. He also said the Fund had agreed to the provision of J 60 million dollars to cushion the impact of devaluation on basic food prices until the end of of March next year. He noted that the agreement called for cost increases resulting from the crisis in the Persian Gulf to be passed onto the consumers.

The finance minister said that the present 12.5 percent wage guideline will remain in effect until March next year at which time a more flexible arrangement will be announced.

Trinidad and Tobago

Parliament Debates State of Emergency Proposal

FL0911151090 Bridgetown CANA in English 1415 GMT 9 Nov 90

[Text] Port of Spain, Trinidad, Nov 9, CANA—The Trinidad and Tobago Parliament was preparing on Friday to resume debating a motion to extend a state of emergency imposed after a radical Black Muslim group attempted to overthrow the government.

National Security Minister Selwyn Richardson, who introduced the motion on Wednesday, argued that the extension was needed "to put the protective services in order." He, however, said the curfew hours, reduced on Thursday by two hours, will again be shortened. The curfew now runs from 1 AM to 5 AM, police officials confirmed.

"In keeping with the commitment of this government in stabilising and indeed strengthening the economy and in restoring full confidence, not only internationally but in local enterprises, it has been decided that the duration of the existing curfew would be curtailed further," Richardson told Parliament.

"I am hoping that the House (of Representatives) would see the facts produced on what has happened on July 27, the accumulative action taken by the government between August, September, and October.... to put the country's house in order and you would agree to extend the state of emergency to one month."

Richardson added: "I am asking for just one more month.... a maximum of one month at this stage to give the time to put the protective services in order."

Members of the Jamaat al Muslimeen stormed the Parliament on July 27, holding Prime Minister Arthur Robinson, Richards, and other MP's hostage for days, insisting that the government resign. Twenty-four persons were killed in the coup attempt, which ended with the rebels giving themselves up and claiming that they had signed an amnesty with the government.

Richardson said prior to the coup attempt the protective services were in a "sorry" condition. Before the bloody attack on Parliament, he reported, cabinet had approved one million dollars (one TT dollar = 23.5 cents U.S.) to have an effective protective state in the country.

He said the money would be utilised in buying wireless radios for the police service, as well as ammunition, uniforms, and boots for the policemen. In addition to this, he said several police stations in the country would be refurbished.

Richardson told Parliament crime in the country had reduced considerably since the state of emergency imposed on July 28.

"Prior to the 27th July 1990, for the first time in ten years, the crime rate has been drastically cut in Trinidad and Tobago," he reported.

"When the latest figures are revealed for these few months, you will see figures that you have never seen in Trinidad and Tobago."

But opposition leader Basdeo Panday questioned the government's motives for wanting an extension of the state of emergency.

"The reasons can be found in the fact of government's own insecurity," he said.

"They must have some ulterior motives," he told Parliament.

Panday said elections were in the "air," adding that government wanted to "stifle" the opposition's plans to hold meetings with the people.

On Tuesday when Parliament reopened in the new chamber, Speaker of the House Nizam Mohammed declared vacant the Diego Martin Central seat, previously held by Leo des Vignes, who died following a gun shot wound sustained when the rebel Muslims stormed Parliament.

Panday said while his party, the United National Congress, is unable to campaign for the by-election in the next three months to fill the Diego Martin seat, the government was having a "field day," using the state-owned television and daily newspapers to air its "propaganda." Panday said he was not supporting the extention of the state of emergency.

Government Motion Carries

FL0911215290 Bridgetown CANA in English 2049 GMT 9 Nov 90

[Text] Port of Spain, Trinidad, Nov 9, CANA—The Trinidad and Tobago Parliament on Friday passed a motion extending the current state of emergency in the country by another one month. The motion brought by the national security minister was passed by a vote of 16 to six.

Security Minister Selwyn Richardson in moving the motion in the House of Representatives Thursday said the month-extension was needed "to put the protective services in order."

The state of emergency dates back to last July 28, the day after a radical black Muslim group tried to topple the government. Just before the winding up of the motion, Prime Minister A.N.R. Robinson said that proper security measures were needed to be put in place since the country was also facing an "external threat."

"I think it is important that you understand (that) the threat to Trinidad and Tobago is not only internal," he said. "... People were trained in foreign countries, guns were obtained from foreign countries, money was obtained from foreign sources and lodged in foreign banks," he told Parliament. He said when the minister of national security spoke about the threat to the population of the country, "we must remember now that we are not only dealing with something which is internal but something which is external as well."

The prime minister said the motion was of "relevance, concern and importance" to the people of the country and outside the country. He said it was the first time in the history of the commonwealth that a "matter of this kind" occurred, referring to the abortive coup attempt which left two dozen dead.

Government Objections to Trade Agreement Voiced

PA0911184890 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 8 Nov 90

[Text] Among the series of interesting remarks he made on 7 November, some of them concerning the U.S. tuna embargo, Jaime Serra Puche, secretary of commerce and industrial development, said that Mexico will not sign a free trade agreement should there be a lack of reciprocity with our commercial associates.

Mr. Serra Puche said that the government, supported by the GATT regulations, will request that the United States reconsider the tuna embargo.

Pemex Exports to Cuba Replace Soviet Oil

PA0911164290 Mexico City NOTIMEX in Spanish 2114 GMT 7 Nov 90

[Text] Havana, 7 Nov (NOTIMEX)—So far this year, the Mexican Petroleum (Pemex) state enterprise has exported to Cuba approximately $4 million worth of fuel oil (combustoleo), and turbine engine fuel (turbosina) for industrial use and airplane fuel, respectively.

The commercial advisor at the Mexican Embassy in Cuba told NOTIMEX that these are the only two fuels Pemex has exported to Cuba this year.

Fuel oil is a fuel used for industrial processing, and turbine engine fuel is used as fuel for aircraft.

According to the Cuban Government, the island is limited in its petroleum consumption because there have been delays this year in the petroleum supplies sent by its main supplier, the Soviet Union.

The scope of the petroleum supply problem was reflected some days ago when Cuba's largest nickel producing factory was paralyzed and the airplane fuel supplies at the country's airport decreased.

The Soviet airline "Aeroflot" resumed its stops in Havana on flights from Moscow to Latin America, which had previously been interrupted due to fuel supply problems.

CEE Reports 'Irregularities' During Elections

PA1211225290 Mexico City NOTIMEX in Spanish 0042 GMT 12 Nov 90

[Text] Toluca, 11 Nov (NOTIMEX)—The election of officials of the 121 municipalities of Mexico State, as well as the local Chamber of Deputies, was held today in a climate of peace without any major incidents, the CEE [State Electoral Committee] has reported.

The CEE said that the 4,302 voting booths, which were installed to accommodate 4,517,000 registered voters in the state of Mexico, were opened at 0800 [1400 GMT].

The state's public security agencies reported that the elections were conducted peacefully. Electoral authorities said that some partial results might be announced tonight.

Governor Ignacio Pichardo Pagaza said his government will ensure that party victories are respected, and will punish any violators of the state's electoral regulations.

Eight political parties participated in the elections. The parties proposed a total of 9,557 candidates for municipal presidents, trustees and councilmen, and principal and alternate deputies.

The elections were held without any incidents. Party leaders and electoral authorities agreed that the most serious reports of irregularities dealt with the late opening of some voting booths and voters' lack of proper documents.

In Los Reyes de la Paz, armed individuals stole bunches of ballots from voting booths 20 and 20-A and fled in a black vehicle. The booths were immediately replenished with ballots.

The CEE also learned that in this municipality several individuals—Leandra Alonso, Lourdes Leyva Alonso, Veronica Serrano, Hilda N., Agustin Castaneda, and a man known as "La Manuelita"—arrived at voting booth 19-A in the Ejidal neighborhood, beat up the polling table chairman, and proceeded to set ballots and ballot boxes on fire.

The state police and officials of the attorney general's office are looking into these incidents and tracking down the responsible persons to hand them over to the proper authorities.

The Public Security Directorate reported that in the 10 April neighborhood in Naucalpan, PAN [National Action Party] members held propaganda rallies and verbal confrontations with their PRI [Institutional Revolutionary Party] opponents.

Mario Ruiz de Chavez, PRI candidate for this municipality, expressed confidence that more than 60 percent of registered persons cast their votes. This was similar to the turnout in the 1988 elections.

Up to the last moment, the Democratic Revolutionary Party [PRD] insisted that PRI was promoting brigades of voters [brigadas de votantes] in various parts of the state. The PRD said it possessed evidence certified by public notaries.

In Ecatepec, Jose Luis Gutierrez Cureno, the PAN mayoral candidate, said that the chairman of the Municipal Electoral Committee called for a session, without advising the PRD, to approve the designation of an electoral assistant at each voting site.

Some irregularities were reported at a voting booth installed at El Molinito, Naucalpan, where PAN activists tried to forge documents dealing with the designation of electoral assistants.

In Nezahualcoyotl, party leaders said that the flow of people to the voting sites was steady. They discounted the notion that the alleged irregularities in the voting lists could compromise the genuineness of the elections.

In Tejupilco, in the south of the state, the elections proceeded normally. No PRD activists from the states of Michoacan and Guerrero showed up, the National Peasants' Confederation [CNC] has announced.

PRD activists said that, because the south part of the state, where two percent of the voters live, is regarded as "Cardenist," voters' credentials were issued selectively, which encouraged abstentionism.

El Salvador

FMLN Commander Villalobos on 1991 Elections

PA0911162990 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 2 Nov 90

["First part" of essay by Joaquin Villalobos, commander in the Farabundo Marti National Liberation Front (FMLN): "Elections Without Conditions for Anyone"—read by announcer]

[Text] The FMLN is the offspring of a frustrating electoral past of impositions and fraud. The war of counterinsurgency turned the elections into the most important political instrument with which to defeat the FMLN. In 1980, an act of genocide was perpetrated to annihilate the Revolutionary Coordinating Board of the Masses, which, in fact, was the strongest political party that has ever existed in the country. Thousands of activists were murdered, exiled, or forced to take up arms.

Later, in 1982, elections were held without inviting the left. In those elections, the rules of the game of the system were agreed on in a new constitution. A situation of dualism in the military powers emerged, and the elections did not fulfill the goal of defeating the FMLN. The FMLN has not rejected elections per se, but we cannot let others kill us to then invite us to the elections, or to be invited so that we can be killed.

After six elections, which have not served to bring peace, the elections seem to be the only alternative to a plan to corner the FMLN, and perhaps they have never been as important for the government and the United States. The U.S. escalation of the war in Central America is ending. There are priorities elsewhere in the world, major problems are present at home in the United States, and the cold war no longer exists. Aid may be reduced or kept at the same level, but it will not increase. The times of plenty are over, and there are no possible military options to try to defeat the FMLN. All that is left is political options.

The plan of operations that the Army General Staff is now discussing consists of international pressure campaigns, diplomatic offensives, and psychological warfare, which create the image that its weakness is, in fact, its strength. The tactic now is how to make the United Nations and other countries defeat the FMLN. From this standpoint, the 1991 elections, which could serve peace, are once again part of the war plan. The belief is, therefore, that elections must replace negotiations and create the image the conflict has ended, and, in that way, deprive the people's struggle of its legitimacy.

Here we have a very serious misconception. An analysis of the international geopolitical situation prompts the Army to think the FMLN is weak. It believes therefore that the FMLN feels compelled to find political solutions and legitimize the elections, and then, as a political consequence of this situation, that the FMLN will be disarmed.

The atmosphere for the 1991 elections, however, is chaotic. The people are apathetic because the elections will not represent an option for peace unless there are fundamental agreements in the negotiations on the topic of the Armed Forces. The only way the elections could recover their credibility would be if the FMLN gave them a modicum of support.

The political parties accepted a tainted and elitist electoral registry; they signed an inadequate agreement. This is to be expected. They live under the Armed Forces' reign of terror and had to resign themselves to very little.

Can elections under terror be free? International verification cannot stop the people from being afraid.

Only a truly spectacular change in the course of the negotiations on the topic of the Armed Forces, in which the commitment is made for total demilitarization and the gradual dismantling of the two armies, as well as clear and strong actions to purge the Army and punish the perpetrators of crimes like the murders of the Jesuits, Hector Oqueli, and others, would overcome fear and enable all the political currents to participate.

Does it do any good, however, to support, participate, or vote in an electoral process in which the military, whom nobody elects and nobody wants, is in command? We want free elections, but free and honest elections. To achieve this, we must negotiate in earnest. Negotiations are the chief political instrument of all the forces at this point, and must not be exchanged for a plateful of beans. Arena [Nationalist Republican Alliance] wants to use the time to make everyone desperate, obtain concessions, gain legitimacy for themselves and the Army, and even obtain an advantage at the polls to defeat the other parties.

Nobody, however, forces or pressures the FMLN. If these elections are no good, we can hold other elections, or others will come. We are in no hurry. We are not weak, and we do not want to play the fool to help the Armed Forces solve their problem. We do not buy rubbish that comes under the label of free elections.

The future of the 1991 elections is uncertain. If no changes are made, the elections will not serve peace, and the military will want to use them for war. The opposition will suffer persecution and abuse. International verification without negotiations or in-depth changes will only serve to give legitimacy to Arena. For a few days, the murderous military will tone down the repression and use the authority that stems from fear.

Who will support the politicians when the observers leave? If this happens, the elections will take place amid war, and today, more than ever before, they will be affected by a war and dualism of power that is even more far-reaching and prevents the government from exerting its authority in a large area of the country. We could think that, without having reached fundamental changes in the negotiations, it would be positive for the FMLN to endorse the elections in some way, in light of a possible electoral victory by the opposition.

That would be uncertain, first of all. It would be like betting it all in a game of chance. Second, what guarantees would there be that if power is formally obtained in the legislature—in exchange for granting legitimacy to the elections—one will have the advantage to conduct a negotiation, which, in order for it to be a serious negotiation, needs to put into question the legitimacy of the government, and most of all the Armed Forces?

If the legitimacy of the 1991 elections is sought, we must negotiate earnestly and quickly. We already know the history of formal power; it is not new. We have already had a majority in the congress and honorable deputies, and yet the military continues to do as it pleases. Who will take away the terror when elections legitimize criminals?

The situation is exceptionally positive. There is time and enough strength. Strategic negotiations are open. There is no room to fear the FMLN on ideological grounds, or to fear being subservient to the United States. The country can and must become a real democracy. This is the time to struggle for change. Let us not waste that historic opportunity.

Cristiani on Villalobos Statements

PA0911164590 San Salvador Radio Cadena YSU in Spanish 1730 GMT 5 Nov 90

[Text] President Alfredo Cristiani did not give any importance today to the Farabundo Marti National Liberation Front's [FMLN] article that warned that the next elections would be held in a climate of uncertainty. The president said these statements were standard practice for the FMLN, whose purpose was to minimize the importance of elections and set a framework for boycotts. FMLN Commander Joaquin Villalobos' statements are unrealistic if they mean that the electoral process is not significant, the president said.

In a recent article, the rebel commander wrote that political agreements and other reforms must be reached before an election process which will contribute to the solution of the conflict can be discussed. The president said that the article attempted to create a climate of insecurity.

[Begin recording] [Cristiani] I believe they have always tried to minimize the significance of the Salvadoran electoral process. They have even boycotted it. I believe, however, that it is indisputable that the Salvadorans have chosen to [word indistinct], and they invariably support the right to freely choose their leaders or their representatives. In this sense, it is incorrect—and, to me, totally unrealistic—for someone to say that the electoral process or the Salvadoran democratic process is superficial and insignificant.

[Unidentified reporter] [Words indistinct] case of Jesuits, what results can be expected by the Salvadoran community or [words indistinct]?

[Cristiani] We are trying to speed up the case and want justice to be done....

[Reporter, interrupting] [Question indistinct]?

[Cristiani] The Armed Forces are ready for any FMLN aggression. [end recording]

Concerning the confidentiality that must be observed during the next round of talks, Cristiani said the government is willing to accept the UN decision. Although he was asked many questions on this topic, the president only stated that the government firmly upheld its willingness to attain peace.

[Begin Cristiani recording] I believe peace is what Salvadorans want and what the government, interpreting [words indistinct] has as its prime objective. We are working hard to find peace in as short a time as possible so that our country can live in peace and consolidate its democratic process. [Words indistinct] the UN secretary general's communique stating that all queries concerning the dialogue must be referred to them. Any question will be answered by UN mediator Alvaro de Soto. [end recording]

The president said that all the questions concerning the negotiating process must be referred to Alvaro de Soto, who is the only one authorized to answer them. Cristiani also said that the Armed Forces are ready to counter any guerrilla attack and that the latest FMLN actions are not surprising, as this has been its standard practice during the past 10 years of the war in El Salvador. He also said that a date has still not been set for the next meeting between the government and the guerrillas.

FMLN Reports on 5 Nov Attack by Army

PA1211230690 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 7 Nov 90

["Press bulletin" issued by the Francisco Sanchez Northeastern Front in Morazan Department on 6 November]

[Text] 1. We are informing the Salvadoran people, news media, and humanitarian organizations about the incidents that took place on 5 November in La Laguna Canton, Morazan Department.

2. We condemn the distortion of the incidents by Coprefa [Armed Forces Press Committee] and Colonel Linares of Military Detachment No. 4.

3. We are now going to report what really happened. On Monday, 5 November, at 1645, Morazan Battalion troops took a group of comrades by surprise inside a home near Talquezal Mountain, Villa El Rosario Jurisdiction. Our comrades were in that house because it was raining. As a result of the surprise enemy attack, Comrade Ana Alicia Sanchez, age 17, was wounded and her leg broken.

5. [number as heard] As a result of the disarray and surprise, two rifles, one M-6 grenade launcher, and one two-meter radio were lost.

6. The Army captured two local youths named Jose Israel Diaz and Juan Ulisis Diaz Claro from Las Puertas Village, Villa El Rosario Jurisdiction. The Army is pressuring them to admit they are guerrillas.

7. We call on the International Red Cross Committee and humanitarian groups to investigate this case. We demand that the Army respect the physical and mental well-being of our captured comrade and ensure her rights as a prisoner of war.

8. We call on the news media not to be taken by surprise by Coprefa's lies.

[Signed] Joint Command of the Francisco Sanchez Northeastern Front

6 November 1990

Morazan

FMLN Says Army Sustains 27 Casualties 9 Nov

PA1111004990

[Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 10 November carried a 7-minute battle report on the latest actions carried out by the Farabundo Marti National Liberation Front, FMLN.

A report from La Paz Department said that "at 0900 on 9 November FMLN guerrillas audaciously and successfuly ambushed a military truck transporting Army soldiers on the road from Tecoluca to Zacatecoluca, near the Canas farm. As a result the Army suffered 15 casualties and the military truck was completely destroyed."

Another report from Chalatenango said that "on 9 November, FMLN guerrilla columns clashed with the demoralized troops of the Bracamonte Battalion" in Chalatenango Department, causing eight enemy casualties. The report added that "a chopper sent to the area was seriously damaged by antiaircraft fire." The report said that clashes continued and that "the same Army troops sustained two more casualties," after which "another chopper arrived which was also seriously damaged and the copilot and artilleryman were seriously wounded."

The station then reported that at 0400 on 9 November FMLN guerrillas attacked treasury police troops in El Refugio, La Palma jurisdiction, Chalatenango Department, which resulted in an undetermined number of casualties.

The battle report went on to mention propaganda activities, saying that at 0500 on 9 November FMLN militias and guerrillas occupied a stretch of road from Amayo to Nueva Concepcion, where a meeting was held and propaganda was distributed. Also on 9 November, FMLN guerrillas occupied a stretch of the northern main highway near El Salitre, where propaganda was also distributed.

Summarizing the report, the station announcer said that "FMLN actions on 9 November resulted in 27 casualties—15 in La Paz Department and 12 in Chalatenango—which included one copilot and one artilleryman. Two choppers were also seriously damaged."

FMLN Urban Cells Attack Soyapango Garrison

PA1011032990 San Salvador Canal Doce Television in Spanish 0306 GMT 10 Nov 90

[Text] Soyapango's garrison was attacked today with explosives but no casualties were reported. At the same time, FMLN [Farabundo Marti National Liberation Front] urban cells blew up at least five power line pylons in different areas of San Salvador. Unidentified individuals aboard a vehicle also fired at a Central Reserves Bank guard near the Bolivar Square. No victims were reported in the ensuing clash.

According to military sources, unidentified persons who were riding a vehicle threw grenades at Soyapango's local garrison. One grenade exploded in a private home and a car, but nobody was wounded. As a result of the attack on the power line pylons, electrical service was interrupted in several points of San Salvador.

Rebel Radio Says FMLN Prepared for Offensive

PA1011214890 Panama City ACAN in Spanish 1754 GMT 10 Nov 90

[Text] San Salvador, 10 Nov (ACAN-EFE)—On the eve of the first anniversary of the largest rebel offensive since the war began in this country, the Salvadoran guerrillas warned today that their troops are "ready and prepared" to act at any time.

The clandestine radio station Radio Farabundo Marti said, "Our troops are ready and prepared to act at any time and at any point in the national territory."

During the transmission, which was received in San Salvador, the guerrillas called the offensive last year an "heroic act." That offensive began on 11 November and lasted over 2 weeks, with intense clashes in the capital that caused thousands of casualties.

The rebel station also said that "the factors that set off the (1989) offensive still exist."

"A year has passed, and today we are stronger and have more conditions to advance toward victory. We are in no hurry and our forces are more experienced and ready to strategically hit militarism in El Salvador," added the Farabundo Marti National Liberation Front's (FMLN) radio station.

Salvadoran Defense Minister Colonel Rene Emilio Ponce said that according to Army intelligence reports the FMLN "could be planning a large scale attack on military installations."

Ponce said, however, that he is "sure" that the guerrillas will not carry out an action, such as last November's, in the next few days, but instead "they are military actions designed to maintain an uncertain atmosphere."

Local media reported today that since last Thursday combined groups of different garrisons and security corps have been searching residences near garrisons for arms and to prevent rebel attacks.

FMLN Statement on Nov Offensive Anniversary

PA1311002690 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 12 Nov 90

[Statement issued by the Farabundo Marti National Liberation Front (FMLN) General Command on 11 November; place not given]

[Text] On this first anniversary of the November offensive, we address all our fighters and active members. Comrades, a year ago the military dictatorship, under the disguise of a civilian facade, received a deadly blow. It has not yet been able to recover, and it will never be able to do so. On the contrary, it all seems to indicate that the wall of impunity will crumble. Following the November offensive, our front was able to consolidate its political, military, and territorial might. The duality of powers that existed in the country was dramatically altered when our power was strengthened and the repressive power was weakened.

The November clashes showed the world that the people and the FMLN are one and the same. Ours is the true national army, the other is a repressive army financed by a foreign power. November made it clear that in our country, the confrontation is between the people and the dictatorship, and that the wind blows in the people's favor. As a result of the offensive, the government itself was forced to recognize our fighting spirit and legitimacy. It agreed to negotiate with the mediation of the United Nations. The most important thing, however, is that the repressive army stands accused. Our society has condemned it.

The Caracas agenda, which is being negotiated, contains the goals of our struggle. Thanks to that feat, for the first time our country is at the brink of democracy and a firm and lasting peace. On this 11 November we pay tribute to the 401 comrades who died in combat, and we call on our fighters, active members, and all people in general to finish the task of democratizing our fatherland. Eternal glory to the 11 November heroes. Commander Dimas Rodriguez lives.

General Command of the FMLN, 11 November 1990.

Cristiani: Bus Fares, Subsidies Not To Increase

PA1111041690 San Salvador Radio Cadena Horizonte in Spanish 1819 GMT 7 Nov 90

[Text] President Alfredo Cristiani said today that the bus owners are receiving enough revenue with which to operate their buses. He also rejected AEAS [Association of Salvadoran Bus Owners] demands for increased transportation fares and government subsidies, because the government does not have the necessary resources. President Alfredo Cristiani said his government does not have the means to partially subsidize any increase in the cost of transportation, as demanded by AEAS bus owners so they can better face the general crisis that resulted from the increase in the prices of lubricants and spare parts.

In addition, the president voiced his opposition to a hike in the prices of public transportation, adding that according to a study conducted by the Ministry of Economy the profit margins obtained by the bus owners are enough to operate their buses. Cristiani reiterated that he will not authorize an increase in transportation fares or in the government subsidy, which AEAS is demanding.

[Begin Cristiani recording] In the past, the Economy Ministry has requested from bus owners a study on their costs, because the analyses conducted by the ministry show that there are profit margins with the current subsidies given to the public transportation sector. We think that there are different alternatives in helping the country's public transportation sector. We do not believe, however, that an increase in transportation fares is now necessary. The government can no longer increase the subsidies because they are already enough and sufficient, and the government simply cannot face it. [end recording]

Meanwhile, President Cristiani rejected the proposal made by the Permanent Committee for the National Debate on Peace. He also said that, given the difficulties in the public transportation sector, the government should change its economic model, adding that the economic model promoted by the government is the most beneficial for the country.

[Begin Cristiani recording] First, I think that they are absolutely wrong, because the social market economic model [el modelo economico de economia social de mercado] has proven to be the most beneficial worldwide. Even the USSR is shifting toward a social market economy.

One must understand that the country has faced a severe crisis for 10 years. It is as if one had a savings account in the bank and had been living off those savings. Suddenly, the savings are gone and one has to adopt some austerity measures that will entail some temporary sacrifices. As long as it is in the pursuit of a better future, we can brave the temporary sacrifices. It cannot be said that the social market economic model is faulty. On the contrary, it has been proven successful throughout the world. [end recording]

President Alfredo Cristiani finally asked the Permanent Committee for the National Debate on Peace, which gathers together a large segment of the Salvadoran people, to work to attain peace. The president rejected the accusations made by the Christian Democratic Party, which recently charged that Arena [National Republican Alliance] is trying to harm Deputy Manuel Inocente Morales Erlich to garner votes in the upcoming elections.

Bishop Calls Confidentiality Agreement 'Positive'

PA1111005290 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 5 Nov 90

[Report by Maribel Montenegro]

[Text] San Salvador Archbishop Arturo Rivera y Damas said on 4 November that the confidentiality procedure established recently in Mexico between the government and the FMLN [Farabundo Marti National Liberation Front] is positive if it contributes to ending the psychological warfare that has harmed the Salvadoran people.

[Begin Rivera y Damas recording] This may lower the level of the psychological warfare that has caused so much harm to the civilian population. It would be something positive. As you know, war takes place on several fronts. One of them is psychological warfare. We already have too many people ailing as a result of it. [end recording]

Following his Sunday homily, he said that if the FMLN postponed the talks there must be a special reason for it. The important thing is not to renounce the talks, since otherwise the war will grow in the country.

On another matter, Monsignor Rivera y Damas commented on the March 1991 elections. He said the ideal would be to have elections without armed actions, as has happened in the past.

[Begin Rivera y Damas recording] I would [words indistinct] would preclude peace, which is what is sought. I would view absenteeism or sabotaging of the upcoming elections as part of that standpoint. I think this is one of the two major alternatives for resolving the conflict. On one hand we have the search for a military solution, and on the other hand we have the search for a solution to the conflict through the participation of the people in a democratic process. We now have a third option, which is the dialogue. I would say we have to strengthen this, because I feel that if we continue having elections without peace the situation we are experiencing will drag on indefinitely. [end recording]

In this respect, Msgr. Rivera y Damas noted that the Interparty Commission plays a very important role, as it can serve to establish important agreements for attaining peace, which may be approved by the sides involved in the negotiation. This way, people will be able to cast their votes without fear, because, as he said, elections in some way contribute to bringing peace to the country.

To conclude, the metropolitan archbishop commented on the legal action taken by the UN human rights envoy. The UN envoy stated that almost one year after the Jesuit priests' murders during the FMLN offensive, the investigation has not made progress. That is why, he said, greater cooperation from the military, who can make a significant contribution to the case, is necessary.

Honduran, Salvadoran Leaders Hold Talks

PA0911040890 San Salvador Canal Doce Television in Spanish 0300 GMT 8 Nov 90

[Text] Honduran President Rafael Leonardo Callejas arrived in El Salvador today to meet with President Alfredo Cristiani, with whom he discussed important regional topics. The meeting between the two presidents was held at San Salvador's international airport, under strict security.

Cristiani and Callejas spoke about the next summit of Central American presidents to be held on 14-15 December in Puntarenas, Costa Rica. They also discussed the increase in fuel prices as a result of the Persian Gulf crisis.

The Honduran president arrived accompanied by his foreign, economy, finance, and defense ministers. The Salvadoran president was accompanied by Foreign Minister Manuel Pacas Castro; Economy Minister Arturo Zablah; Arturo Tona, the president's private secretary; and Colonel Humberto Corado, chief of the Presidential Staff.

Guatemala

2nd 'Democratic' Election in 50 Years Unravels

Cerezo Holds News Conference

PA1111142590 Guatemala City Teleonce Television in Spanish 0400 GMT 10 Nov 90

[Report on news conference by President Vinicio Cerezo with foreign reporters; place and date not given]

[Excerpts] President Cerezo held a news conference in which he officially greeted the foreign reporters who are in the country to cover the elections. President Vinicio Cerezo began by commenting on the importance of the elections.

[Begin recording] [Cerezo] We have arrived at the end of this first democratic period of this constitutional stage in Guatemala amid, I would say, a political atmosphere of large partisan participation, and probably with a high rate of electoral participation by the Guatemalan voters.

In general terms we could say that the electoral process has evolved normally, with a high rate of political participation and unfortunately with some violence, probably induced by groups that wanted to interrupt or destabilize the electoral process because they feel excluded from the process or disagree with it.

Despite those attempts and the relatively isolated acts of violence occurring over the past few months against some political leaders, as far as I can see, the process will end without any major problems.

I believe that the voters will arrive at the ballot boxes wanting to vote, and the system that has been organized by the electoral tribunal, as an independent entity due to the legal system established for the process, is doubtlessly operating normally, with absolute independence from the government of the Republic, and with absolute independence from any state entity.

The information we have received up to now, which you have probably been able to confirm at the electoral tribunal, is that the ballots are ready, the organization and the system are prepared to operate tomorrow, and the political parties are practically... [changes thought] are ending their campaigns today at noon. We will be expecting the final results.

As a political leader and president of the nation, I cannot predict any results. Perhaps this is a characteristic of the process. The high rate of participation and the voters' attitude toward the different candidates, hint at likely victories for some more than for others, but the large number of undecided people shown in all the electoral polls could surprisingly vary the results tomorrow, but we cannot say in which direction.

For the time being, I believe that we, the government of the Republic, and the very same electoral tribunal, in contrast with other elections we have held in recent years, cannot accurately predict any electoral victory, with the exception of three or four candidates who are leading. They have good possibilities, but we cannot accurately say who will move to second round.

Who does move to second round will depend on two factors: General Rios Montt's supporters behavior and the undecided voters' behavior, which could doubtlessly change the final results in a definitive way. We are calm and not expecting any interruptions in the process. [passage omitted]

I have noticed during the last few years that there is not a complete awareness about the electoral processes.... [changes thought] the democratization process, and as such, we should take steps toward their consolidation. I believe that the coup attempts were something like a natural phenomenon in a consolidation process of the Guatemalan democracy, and compared to the past historical examples, we have had very few coup attempts. Actually, we only had two coup attempts towards the end of 1988, if I am not mistaken, maybe it was eighty.... [changes thought] I have even forgotten about it.

But, I believe that as time passes by, and the governments are elected by the people, and the different political groups accept the elections' results, as will happen now with the government of the Republic and all the political parties, in that measure, the possibilities of political groups trying to motivate the Armed Forces to break the system will decrease.

I believe that the next government will have fewer problems than we did, and I can assure at this time that the Guatemalan Army is really committed to the democratization and institutional process.

The changes we carried out were.... [changes thought] The last changes to be made concerned the Army's internal administration and had no institutional consequences. Furthermore, General Juan Marroquin's retirement, which caused the controversy, was not carried out because he disagreed with the institutional process, but because of internal army reasons. Marroquin and the other officers were committed to the process. The generation that follows the generals who are now heading the Army—several of whom will retire in no more than a year, according to the Army's new law—are officers who have risen in the military hierarchy and in democracy, and I am sure they will continue to support it. [end recording]

PDC's Cabrera Unable To Return

PA1011142290 Guatemala City Cadena de Emisoras Unidas in Spanish 1331 GMT 10 Nov 90

[Text] According to Catalina Soberanis, the assistant secretary general for the Christian Democratic Party, presidential candidate Alfonso Cabrera will definitely not return to Guatemala to vote as he had intended, because, according to his doctors in Houston, his pancreatitis could become aggravated.

50,000 Soldiers on Alert

PA1011171390 Panama City ACAN in Spanish 1549 GMT 10 Nov 90

[Text] Guatemala City, 10 Nov (ACAN-EFE)—Government Minister General Carlos Morales announced today that approximately 50,000 soldiers, policemen, security agents, and firemen are on a state of alert to guarantee the general elections that will take place tomorrow in Guatemala.

The minister said that 16,000 treasury and national policemen will be by the voting centers to prevent any attempts to disrupt public order.

Some 30,000 military police and army units, as well as 2,900 voluntary and municipal firemen, will also be on alert.

National Police Commissioner Colonel Julio Caballeros charged today that members of the so-called juvenile "Maras" (gangs) have plans to carry out attacks and harass voting centers.

Caballeros warned that the security forces will be at a discreet distance from the voting centers and will act according to the law to prevent disorder.

This Sunday's elections, the second democratic elections to be held in the country in more than 50 years, will be supervised by some 400 international observers, mostly from the United States.

Polling Places Open; UCN Leader Killed

PA1111143290 Paris AFP in Spanish 1344 GMT 11 Nov 90

[Text] Guatemala City, 11 Nov (AFP)—Five thousand six hundred and thirty polling places opened today in Guatemala at 0700 (1300 GMT) in a relatively calm manner, despite a report about the murder of a political leader in the countryside.

The polling places will be open until 1800 (0000 GMT) and the first official results on the presidential elections will be announced six hours later.

The elections will include the participation of 3.2 million voters—a third of them illiterate—who will choose, besides a president and vice president of the Republic, 116 congress deputies, 18 Central American Parliament deputies, and 300 mayors and municipal councils.

The opening of the polling places was overshadowed by the report from Union of National Center (UCN) presidential candidate Jorge Carpio about the assassination of a fellow party leader yesterday in Santo Tomas Chiche, Quiche Department.

Carpio confirmed that the UCN leader was assassinated by a group of unidentified men who broke into his house.

[Panama City ACAN in Spanish at 1304 GMT on 11 November reported that the country's "5,330" voting places opened at 0700 [1300 GMT] and that the Supreme Electoral Tribunal is expected to announce prelimary results approximately "four hours" after the voting ends.]

FUR Candidate Said Beat Up

PA1111151890 Panama City ACAN in Spanish 1418 GMT 11 Nov 90

[Text] Guatemala City, 11 Nov (ACAN-EFE)—The police reported today that Raul Horacio Montenegro, vice presidential candidate for the United Revolutionary Front [FUR], from the democratic left, was beaten up and left naked by four men in the center of Guatemala City last night.

The assailants beat up the candidate, tore his clothes off, and left him naked, the police added.

After the incident, Montenegro sought help at a radio station. While there he said: "My dignity has been hurt."

Rios Montt: Results To Be 'Respected'

PA1111163590 Mexico City NOTIMEX in Spanish 1508 GMT 11 Nov 90

[Text] Guatemala City, 11 Nov (NOTIMEX)—The controversial General Efrain Rios Montt cast his ballot today in Guatemala's general elections to appoint President Vinicio Cerezo's successor.

Rios Montt, who was not allowed to register as a presidential candidate by the country's laws—given that he was a de facto ruler between 1982 and 1983—said that his political goal was not to "reach" the country's Presidency.

According to his comments upon arrival at polling table 252 in this capital, his goal is to "enlighten the Guatemalan citizen about his right to select rather than elect his representatives."

The former de facto ruler said that he is a man who respects "the law, which says no to corruption and no to drugs. That man has a name and you know it," he told the journalists who questioned him upon arrival at the polling place.

Rios Montt added that yesterday he met with international observers who have arrived for the Guatemalan elections, and he had talked with them about the "concept of democracy."

"I feel that they were disappointed," said the retired general, who was surrounded by some 50 sympathizers. He also added that he considers himself a citizen, because "you are a military officer when you are on active duty—but now I am a civilian."

Rios Montt said that he trusts that the citizens will vote for him—even though his name does not appear on the electoral ballots—because, according to a local poll, his candidacy would get 35 percent of the Guatemalan voters' support.

Rios Montt asserted that he is not sponsoring "the abolishment of the ballot with this—he is only informing the people that they must select and not elect."

The general, who led a coup d'etat in 1982 and whom international organizations accused of violating human rights, emphasized that if the voters write his name in the ballots, and he gets 20 percent of the votes, "I shall achieve a big victory."

He stated that the people's will was not respected because the Guatemalans "preferred" him. Nevertheless, he said that the electoral results will be "respected."

"They assassinated me, politically speaking," he said when referring to the Guatemalan Supreme Electoral Tribunal ruling rejecting his candidacy.

Paper Reports URNG Actions

PA1111222090 Guatemala City EL GRAFICO in Spanish 11 Nov 90 p 6

[Text] Guatemala City, 11 Nov—Guatemalan guerrillas have demolished another electrical pylon, this time in the Medio Monte Hacienda in Palin, Escuintla Department.

Other guerrillas held meetings in the country's south urging the voters to annul their votes during today's general elections.

According to official reports received in the capital yesterday afternoon, the guerrillas planted four dynamite charges at the foot of pylon 11-10, which toppled. Security men who arrived at the scene yesterday morning found that three of the charges had detonated, causing the pylon to fall down. The fourth charge was still intact. The electrical energy system, however, was not affected.

In Guanagazapa, Escuintla Department, a group of rebels held a rally and told the local residents to annul their votes, thus rendering them null.

Various government authorities, including President Vinicio Cerezo, had previously criticized the URNG [Guatemalan National Revolutionary Unity] guerrillas for exhorting the people to refrain from voting.

The authorities said that the two incidents are being investigated. Regarding the rally, several witnesses gave descriptions of those in the raiding party.

For the second time in less than eight days, the military garrison at the El Rosario Hacienda, Tumbador Municipality, San Marcos Department, was harassed by guerrillas who later escaped.

It was reported in this capital yesterday that the group of guerrillas opened fire on the military garrison with mortar shells and rifles and that "there could be dead and wounded."

Nevertheless, no government source in Guatemala City has given details on the harassment of the garrison, which is manned by approximately 63 soldiers and three officers, the sources said.

It was also reported that, because of the heavy crossfire, the residents sought refuge at the local church and returned to their homes later when the shooting stopped. They are, however, still fearful.

The guerrillas have attacked the garrison, one of the area's remotest, twice in the last eight days. It was also reported that aircraft have been overflying the area searching for the subversives.

Some Voting Obstruction Reported

PA1111235490 Guatemala City Cadena de Emisoras Unidas in Spanish 2143 GMT 11 Nov 90

[Text] Here is an urgent last-minute report: It has been unofficially reported that early this morning a group of heavily armed unidentified persons were obstructing traffic in the area of the (Xantel) Estate of La Reforma San Marcos. The unidentified individuals were stopping private vehicles and buses, urging the passengers who were coming to vote in Nuevo Progreso and La Reforma not to do so to show their discontent with the government.

These reports are unofficial, as Nuevo Progreso and La Reforma San Marcos are both remote municipalities in San Marcos Department. It was also learned that in the same area the agitators captured three national policemen and stole their clothing and equipment.

We have also learned from unofficial, yet highly reliable sources from the area, that the same agitators went to some polling places and urged voters to go home. The agitators left without harming anyone.

Another urgent report says that three to four armored personnel carriers and several military vehicles have been seen traveling the San Cristobal-Totonicapan highway in Quetzaltenango Department. The reason for this movement is unknown. Nobody knows whether it is routine or not. At any rate, we will keep you posted.

60 Percent Turnout as Stations Close

PA1211004790 Panama City ACAN in Spanish 2359 GMT 11 Nov 90

[Text] Guatemala City, 11 Nov (ACAN-EFE)—Guatemala's 5,330 polling stations closed at 1800 (0000 GMT) after thousands of citizens turned out to vote in the general elections, in which the voters exhibited somewhat of an electoral apathy.

The Supreme Electoral Tribunal (TSE) estimates that 60 percent—less than expected—of the 3.2 million persons registered cast their vote.

The Guatemalans voted to elect a new president, vice president, 116 deputies to the National Congress, 20 to the Central American Parliament, and some 330 municipal mayors.

The TSE plans to announce the first results of the general elections, the second democratic elections in half a century, four hours after the polls close throughout the country.

High Abstentionism Reported

PA1211042290 Panama City ACAN in Spanish 0114 GMT 12 Nov 90

[Text] Guatemala City, 11 Nov (ACAN-EFE)—General elections in Guatemala were held throughout the country today without any violence. Abstentionism, however, was high and is expected to be at least 45 percent. It surpassed all predictions, according to initial estimates by the political parties.

The elections took place in an unusual climate of peace, which contrasts the political violence that has swept Guatemala for the past few years.

The murder of 12 politicians and three journalists during the electoral campaign was followed by exemplary behavior whereby no significant incidents were reported in the 5,330 polling tables throughout the country.

Almost all the candidates and numerous foreign observers have described the elections as a "civic celebration," in which Guatemalans will elect a civilian president, along with other leaders of state institutions, for the second time in 50 years.

That "celebration" was somewhat marred, however, by a low voter turnout and an electoral apathy greater than that exhibited during the 1985 elections, which ended decades of military regimes.

Some analysts have stressed that the high percentage of abstentionism is based on the fact that there are only 3.2 million registered voters, which does not include 27 percent of the citizens who are eligible to vote, according to official figures.

The high rate of abstention indicates that less than 2 million people in a country of 9 million went to the polls.

The rate of abstention was almost 50 percent outside the capital, which is inhabited mostly by Indians, who make up 60 percent of the population and represent the most neglected sector of Gutatemalan society.

The Guatemalan guerrillas were the only ones who called for abstentionism in the elections, considering that they would not resolve the country's problems.

Observers, however, do not attribute abstentionism so much to the appeal made by the Guatemalan National Revolutionary Unity (URNG) as to the heightened social crisis during the administration of the first civilian government.

The Supreme Electoral Tribunal, which is responsible for counting the votes, will issue the preliminary returns on the presidential elections at about 0300 GMT on 12 November. Twelve candidates are running for office.

The results of the elections for 116 local congress deputies, 330 mayors, hundreds of municipal officials, and 20 deputies to the Central American Parliament will be announced during the course of the night.

MAS Candidate on Rebel Talks

PA1211132890 Madrid EFE in Spanish 1209 GMT 12 Nov 90

[Report by Andreu Claret]

[Text] Guatemala City, 12 Nov (ACAN-EFE)—Jorge Serrano, virtual winner in the first round of the 11 November presidential elections in Guatemala, has asserted that "peace is around the corner," and he is in favor of immediately holding talks with the guerrilla groups.

"Peace is around the corner because we will give proof of our good faith to the guerrilla groups," Serrano said in a statement to ACAN-EFE early this morning, after learning about his surprising victory, which was not predicted by any poll.

A 45-year-old evangelist, the candidate of the conservative Solidarity Action Movement (MAS), Serrano will have to contend for the Presidency on 6 January with the candidate who comes in second place.

"My appeal for a national unity government will take me to the Presidency," stated Serrano, whom observers claim has many possibilities of defeating his opponent.

Serrano Elias recently gained prominence following his active role in the peace talks between the political parties and the leftist Guatemalan National Revolutionary Unity (URNG) at El Escorial (Spain), in June.

"I realized then that I had great faith in attaining peace," said the triumphant candidate, who considers it a priority to end the war and violence which have scourged Guatemala for 30 years and which have cost more than 100,000 lives.

The winner of the elections said he is even willing to establish "some kind of unofficial conversation with the guerrilla groups before 6 January, when the second round is to be held."

"We have given proof that we will ratify all the agreements signed as an opposition force, particularly the reforms to the Constitution which we have promised to the URNG," Serrano stated.

During the El Escorial talks, in which neither the government nor the Army directly participated, the parties agreed to reform the Constitution and allow the guerrilla members to return to civilian life.

Serrano admits that his victory is mainly due to the many votes which supported General Efrain Rios Montt before he was vetoed by the courts because he had seized power in 1982 through a military coup.

Nevertheless, the winner of the first electoral round denies that he has assimilated the far right ideology of the general, with whom he collaborated in 1982 as state council president.

"While in the state council I helped implement reforms that allowed for the return of a civilian regime and a democratic opening," it was stated by Serrano, who advocated "a Christian and deeply democratic philosophy of life" and a social market economy.

Serrano also emphasized his willingness to "respect human rights and strengthen the de jure state," by establishing a security policy which will end the current wave of violence.

The winner of the electoral round emphasized his "excellent" relations with the People's Party in Spain. "I am a close friend of (Jose Maria) Aznar," he added, referring to the conservative Spanish leader.

Nevertheless, he added, "when I become president we will have excellent relations with Felipe Gonzalez' socialist government," adding that his party has "very good relations" with the Guatemalan socialists.

Camotan Mayor Reportedly Wounded

PA1211134190 Guatemala City Cadena de Emisoras Unidas in Spanish 1213 GMT 12 Nov 90

[Text] Camotan Mayor Victor Manuel Jorran Trigueros, age 40, is in serious condition. He was attacked by unidentified individuals who opened fire on him while he was driving his vehicle to Jocotan to seek military help to control the violent incidents which took place during the elections.

According to Carlos Moscoso, departmental secretary of the Christian Democratic Party in Chiquimula, due to violent incidents between supporters of various political parties, Mayor Jorran decided to take his pick-up and seek assistance from the military detachment in Jocotan. At the edge of the town, however, several unidentified individuals opened fire on the pick-up. Jorran was shot four times; one shot got him in the head, and he is now in serious condition. This incident was initially reported by President Marco Vinicio Cerezo Arevalo.

Election Results Presented

PA1311035690 Guatemala City Cadena de Emisoras Unidas in Spanish 0107 GMT 13 Nov 90

[News conference by Arturo Herbruger, president of the Supreme Electoral Tribunal, with foreign and domestic correspondents at the El Dorado Hotel—live]

[Excerpt] [passage omitted] [Herbruger, in progress] We have consolidated national results based on the partial results I just read. We have a total of 1,196,329 valid votes, which represent 76 percent of the polling tables. We have results from 4,269 polling tables. The results from 1,351 pollings tables throughout the country have yet to be counted. This equals 24 percent of the total. One can state, therefore, that we have counted 76 percent of the polling tables in the country. We still have 24 percent left to count.

Out of the votes counted, the UCN [Union of National Center] is leading with 25.33 percent of the vote. [applause] Following the UCN very closely is the MAS [Solidarity Action Movement] with 25.03 percent of the vote. [applause] The PAN [Popular Vanguard Party] is in third place with 18.58 percent. [applause] Then follows the Guatemalan Christian Democracy with 16.30 percent. [booing]

Therefore, if there are no suprises in the remaining 24 percent of polling tables to be counted, one can say that the two parties that will participate in the second round of elections are the UCN and the MAS. [applause]

I think that we will probably have the final results by tomorrow. We will report the final results to the media then because this is our last news conference here in the hotel. We are leaving the hotel tonight and only the representaives appointed by the Metropolitan Electoral Board and the Electoral Board of the Department of Guatemala will stay here to make the final revisions.

[Unidentified reporter] Can you tell me what percentage abstained from voting?

[Herbruger] The percentage of null votes is five percent, blank votes three percent. Forty-three percent of the population, however, did not vote.

[Unidentified reporter] Do you have any results for the deputy elections?

[Herbruger] Regarding the results of the deputy elections, the deputy positions are adjudicated in accordance with the system of minority representation, whereby one must study each department and each particular case. Because we still do not have the final results for most departments, we have not made these calculations. We will report these results through the media in due time.

We believe we will have those results ready tomorrow or the day after tomorrow. The same holds true for municipalities. I think we will have the results of the approximately 300 municipalities where elections where held within two to three days. [passage omitted]

Bolanos: Army Wants To Strengthen Democracy

PA1111203090 Guatemala City PRENSA LIBRE in Spanish 11 Nov 90 p 3

[Text] Defense Miniter General Juan Leonel Bolanos commented on today's elections and said: We think that those who talk about a coup d'etat are out of their minds because we do not believe that the conditions are present.

The Army publicly states that it will guarantee security for the elections and that it will guarantee respect for the people's electoral will, said the minister, who was interviewed in the national palace's banquet hall at the end of a meeting between international observers and President Vinicio Cerezo Arevalo.

Gen. Bolanos added: Right now, the Guatemalan Army is most interested in strengthening the democratic process because it represents the people's democratic will, as stated in the ballot boxes.

Therefore, the institution is essentially apolitic, obedient, and nondeliberative; it assumes the role of guarantor of the electoral process; and, as a matter of legal principle, supports no political candidate or party.

Gen. Bolanos Chavez said: "We know about the attitude of certain sectors who are confusing the citizens with rumors and speculation about the Army's sympathies. These rumors are not in sync with the impartiality that prevails in the army ranks. We defend the democratic system within the framework of our constitution," he added.

I insist that the Army is part of the government of the Republic and, as such, it is interested in a clear and honest process that, above all, is endorsed by and satifies the Guatemalan people, he said.

Referring to the citizens' protection, he said that his mission will be to guarantee security so that the voters may exercise their right to vote without limitations or problems.

He added that this means guaranteeing transportation and access to the polling places. Minister Bolanos said that the Army will not search the polling places, but it will protect the places where the ballot boxes are located.

Bolanos Chavez announced that the protection of the most important electrical generation system has already been implemented to prevent any terrorist attack from causing problems when election-related information needs to be sent.

Furthermore, he referred to the URNG [Guatemalan National Revolutionary Unity] appeal to the citizens, urging them not to vote, and said: "It is a clear effort to disrupt the process, and the interesting thing to do upon concluding the elections would be a comparative evaluation of the results achieved in previous elections."

Cerezo Authorizes Drug Trafficker's Extradition

PA1211191190 Guatemala City PRENSA LIBRE in Spanish 12 Nov 90 p 34

[Text] It was officially reported yesterday that President Vinicio Cerezo and the Cabinet authorized the extradition of Guatemalan citizen Rufino Arriaza Cordova. His extradition had been requested by the United States, where he has been charged with cocaine trafficking.

The authorization from Cerezo and the cabinet ministers is included in Government Agreement 957-90, which states that the authorization was given in accordance with the extradition agreement signed on 27 February 1903 between Guatemala and the United States. The request for Arriaza Cordova's extradition was submitted through the U.S. Embassy in our country.

The extradition has been requested to try him for conspiracy to import cocaine, possession of cocaine for distribution, and possession of cocaine. The United States is making the charges.

The 10th Court of Appeals issued a ruling on 15 March 1989 stating that the crimes attributed to Arriaza Cordova are common crimes and, therefore, an investigation can be started to bring him to trial.

The U.S. Embassy accredited in our country pledged to respect all of the Guatemalan citizen's rights and guarantees according to the U.S. laws, particularly in the State of Florida. He will be considered innocent until he is declared guilty based on the evidence. A death sentence will not be imposed if he is found guilty.

This is the second Guatemalan citizen whose extradition has been authorized under the current administration. The first one was Noel Escobar, whose extradition was requested after he had been declared one of the ten most wanted criminals in that country. He was charged with shooting a family to death in one of Los Angeles' suburbs.

Rufino Arriaza was tried in Guatemala for trafficking pure cocaine to Florida. He put the drug into tubes that were placed inside sesame street bags to be exported to the United States, according to the courts.

Nicaragua

Chamorro Views Caribbean Basin Market Membership

PA0911230390 Managua Domestic Service in Spanish 1830 GMT 9 Nov 90

[Statement issued by President Violeta Chamorro in Managua on 9 November—recorded]

[Text] I wish to announce to the Nicaraguan people that yesterday U.S. President George Bush designated Nicaragua as a beneficiary of the Caribbean Basin Initiative. Because of this designation, Nicaragua will benefit significantly from the tax-free access to U.S. markets for a variety of its products.

The countries that have benefited from the Caribbean Basin Initiative since 1983 have experienced a 53 percent increase in their traditional exports to the United States and a 197 percent increase in nontraditional exports. The designation of Nicaragua as beneficiary of the Caribbean Basin Initiative comes at a crucial time in our efforts to strengthen the Nicaraguan economy. It constitutes a great step toward improving the relations between our two countries.

This is a clear sign that the United States is determined to help rebuild our economy in a very active and positive way. I will give you some examples of how this program has helped other countries. In Costa Rica, food and plant exports to the United States increased by nearly 900 percent from $12 million to $103 million between 1983 and 1989. In Guatemala, clothing exports to the United States increased from $2.5 million to $178 million within the same period.

The designation of Nicaragua as a beneficiary of the Caribbean Basin Initiative gains greater importance because President Bush early this year announced the creation of a broad initiative involving American businesses. Both programs are directly aimed at assisting Central American countries involved in the same economic reconstruction process that we just began here in Nicaragua.

By working together with the United States and our neighbors to reduce our debt, promote investments, and break trade barriers we will be able to build a strong and lasting economy. This economy will be based on an open free market system that will create additional jobs, adequate salaries, and social benefits for all Nicaraguans.

These two programs constitute great challenges for Nicaraguan workers and businesses to improve their productivity and infrastructure, increase production, develop free trade zones, and upgrade communications and transport networks to maximize their benefits.

Bilateral aid is important to ensure that we start recovering because we are talking about broad and long-term programs which will provide Nicaragua with the benefits we are all seeking. I am very grateful for the Caribbean Basin Initiative and President Bush's initiative for being on our side and helping the Nicaraguan people. Thank you for being here on this occasion, and I urge you to continue working for the sake of our fatherland's well being.

Government Spokesman on Inclusion

PA0911235290 Managua Domestic Service in Spanish 1830 GMT 9 Nov 90

[Text] The Chamorro Government has won a big victory. The government's official spokesman Danilo Lacayo Lanzas has announced that our country will now receive the benefits of the U.S. Government's Caribbean Basin Initiative. He noted that, starting today, the Chamorro Government will be able to increase its nontraditional exports to the United States on a tax-free basis. The increased sales to the United States will also allow Nicaragua to increase the amount of foreign exchange it receives. Let us hear Danilo Lacayo Lanzas' announcement:

[Begin recording] [Lacayo] This is another step forward for Nicaragua. It shows that doors to the world [word indistinct] are slowly starting to open for Nicargua. As we all know, yesterday the U.S. President determined [words indistinct] as a Caribbean Basin member. What does this mean in practical terms? First, an increase in traditional Nicaraguan exports to the United States. Now, [words indistinct] but tariffs will not have to be paid in the United States for the products we export. Thus, we are going to export products—good quality shoes, fabrics, and other products—to the United States. This increase in exports will provide more jobs here in Nicaragua. We know, for example, that the quality of Nicaraguan shoes is very good. Nicaraguan leatherworkers and shoemakers are very good. Obviously, the small shoemaking industry will benefit because its products will go to the United States at a competitive price.

In Costa Rica, there has been a $103 million increase in exports to the United States. Guatemala has produced $178 million in ready-to-wear clothes for export. As we see it, this is a great step forward which will reap many benefits in the future. Many people, who are currently forming small traditional industries, will need more employees. Also, more foreign exchange will enter the country and be reinvested.

This is an important advance for the Nicarguan foreign trade policy because it will allow us to be at the head of the line and gives us an advantage over other Third World countries. Nicaraguans will see that the country's prospects are gradually improving. We have always stated that things cannot happen overnight. Is this not true? Things happen one step at a time.

Obviously, [words indistinct] this resulted from the national concerted effort. Why? Because with it, Nicaragua has demonstrated that we can live in a civilized manner. You must have noticed that the Concerted Effort Agreement was signed less than a week ago, and yesterday, 8 November, President George Bush signed the letter telling President Chamorro that Nicaragua is now a beneficiary of the Caribbean Basin Initiative. This shows that as long we manage to iron out our difficulties and negotiate among ourselves, the world will know that we are a hard-working and peaceful people. This attitude will result in many more international opportunities.

[Reporter] When is this beneficial initiative going to begin?

[Lacayo] It starts immediately. It is important that Nicarguans in general view the future with confidence. We must work more efficiently and produce quality products, because we are going to enter a market where quality is more important than quantity. The initiative will also create competition in Nicaragua and this will force us to improve our product quality. Internally, we will also benefit from this improvement. We will have products of better quality. Our workers have proven that they are good. There are many workers who live in the United States and have displayed excellence in the quality of their work. Our workers will prove their commitment to excellence now that another door in the international market is opening for us.

[Reporter] Thank you Danilo Lacayo for this announcement to the Nicaraguan people. [end recording]

Chamorro Cancels U.S. Trip Due to Health

PA1311012790 Panama City ACAN in Spanish 0021 GMT 13 Nov 90

[Text] Managua, 12 Nov (ACAN-EFE)—Nicaraguan President Violeta Chamorro has suspended a trip to the

United States scheduled for 13 November due to health problems, LA PRENSA, the daily owned by Chamorro, reported on 12 November.

Chamorro, 62, was to travel to Houston to undergo routine examinations on a leg she fractured during the electoral campaign last January.

The newspaper did not specify the nature of the president's illness. However, the announcement coincides with the crisis prevailing in the center of the country where some former contras are occupying part of the highway joining Managua with the Atlantic side of the country as well as several government offices, in addition to some Catholic churches in Managua.

In statements made to LA PRENSA on 12 November, Chamorro urged dozens of former contras to change their attitude and return to work. President Chamorro insisted that "all of the points requested by the former Nicaraguan Resistance members concerning disarmament, land, and reduction of the Army are being thoroughly examined by the members of my Cabinet."

Deputy Minister Leal on Taiwan, PRC Relations

PA1011014390 Managua Domestic Service in Spanish 2251 GMT 9 Nov 90

[News conference by Deputy Foreign Minister Ernesto Leal with local and foreign journalists and unidentified moderator at the Augusto Cesar Sandino International Airport in Managua—live]

[Text] [Leal] First, I want to thank you for being here. The purpose of this news conference is mainly to confirm to you that I am returning from a trip to Taipei, in the Republic of China. We have reestablished diplomatic relations with the Republic of China. The reestablishment of diplomatic relations with the Republic of China is closely linked to the foreign policy of the government of Mrs. Violeta Barrios de Chamorro. One of the fundamental aspects of our foreign policy is the government's sovereign right to establish diplomatic and trade relations with all the countries of the world, regardless of the ideologies of the governments of each country. That is why we have proceeded to reestablish diplomatic relations with the Republic of China. The objective of our government is in fact to add, not to subtract. At no time do we plan to break or suspend relations with any country. We respect the decisions of the governments of other countries. I learned today during my return trip that the PRC Government has decided to suspend relations with our country. We deeply regret this. Relations with the PRC were and will continue to be excellent on our part. As I said initially, we would like to have relations with all the countries of the world. We would like to have relations with both the PRC and the Republic of China. We want to continue with the Chamorro government's policy of establishing relations with the people and governments of the world. We are obviously open to continuing relations with both the PRC and the Republic of China. I am now available for your questions.

[Garcia] Dennis Garcia of ACAN-EFE. The PRC Embassy issued a communique at dawn announcing the suspension of relations. At the same time, it said that the government was asking Nicaragua to reverse its decision and to act within the framework of the document signed on 7 December 1985 by which Nicaragua recognized only Beijing. What can you tell us about the PRC's request?

[Leal] As I said earlier, during my return trip I learned of the PRC Government's decision. We lament, but respect that decision. At this time I am asking the PRC Government to reconsider that decision, because at no time have we thought of suspending, much less breaking, relations with our sister country, the PRC. In other words, that is their decision. We respect, but regret it. I want to tell you that after I leave the airport, I am going to go to the PRC Embassy to meet with the ambassador.

[Moderator] XINHUA.

[Reporter] [Name indistinct] of XINHUA. Mr. Deputy Foreign Minister: In 1985, the Nicaraguan Government and the PRC signed a joint communique on the establishment of diplomatic relations. That communique established that the Nicaraguan Government recognizes the PRC Government as the only legal Chinese government, and it recognizes Taiwan as a part of China. The Nicaraguan Government has now signed another agreement establishing diplomatic relations with Taiwan. Do you not think this violates the previous joint agreement between Nicaragua and the PRC?

[Leal] I would like to remind you that the agreement signed in 1985 was signed by the previous government. I would also like to say that when we reestablished relations with the Republic of China, we clarified from the start that it could not set as a condition suspension of or a break in relations with the PRC. At no time did it place such a condition on us. We are not reestablishing relations with one country to break or suspend relations with another country. It is important that I mention that we told the Republic of China that the reestablishment of relations with it was without any conditions and that we would continue to have diplomatic and trade relations with the PRC. We deeply regret the PRC decision to suspend relations with us. The reestablishment of relations with the Republic of China is at no time conditioned to the suspension of relations with the PRC. In other words, our government will not suspend relations with the PRC. That would be a sovereign decision of the PRC Government. We respect, but lament such a decision.

[XINHUA reporter] Excuse me Mr. Deputy Foreign Minister, but you did not answer my question. Do you believe that the reestablishment of diplomatic relations with Taiwan violates the other joint agreement signed between Nicaragua and China? Do you believe...

[Leal, interrupting] These are two separate governments. In other words, the previous government is different from the current government.

[Unidentified speaker] [Words indistinct].

[Moderator] Please identify yourself when you speak.

[Talavera] I am Maria Luisa Talavera of BARRICADA. Mr. Deputy Foreign Minister, was an offer of economic aid involved in the establishment of relations with Taiwan, as international news dispatches claim? Did Taiwan make any specific offer that prompted Nicaraguan to reestablish diplomatic relations? There has been a precedent that when a government establishes diplomatic relations with Taiwan, Beijing breaks relations with that government. There are many such precedents. Were you aware of this? I mean, was this decision made knowing how Beijing would react? Why was the decision made?

[Leal] As for the first question, I would like to say that we did not reestablish relations in exchange for a specific offer of cooperation, loans, etc. It is important to clarify, however, that by month's end a delegation from the Republic of China will be arriving in the country. I understand that it will be headed by that country's deputy minister of foreign relations. In mid-December another delegation of private businessmen and government representatives will be arriving.

Obviously, we held talks with them because we visited Taipei and met with the economy minister and several government officials. We discussed the establishment of a free zone in the country and the establishment of industries in that free zone that would create a considerable number of jobs that are very important for Nicaragua at this time. They also discussed the social emergency fund, the voluntary transfer of state employees, and the reincorporation of soldiers into productive, civilian life. They discussed a number of issues that will be spelled out at a later date. As is usual in cooperative relations with other world countries, a delegation will visit us to discuss it a little more in depth.

As for the second point, obviously we were aware that the PRC has traditionally suspended relations with countries that have reestablished relations with the Republic of China. We have always harbored the hope, however, that this would not happen in Nicaragua's case. We Nicaraguans and the government of Mrs. Violeta want, to the extent of our capabilities, to help China reunify.

All the people of the world are involved in a unification process. We have already seen the German example. On 3 October, the unification that no one expected to take place so soon became a reality and we applauded it. God willing, we hope that all the people who are now separated for one reason or another will begin a unification process, because times change, new situations must be realized, and the Chinese people are a single people.

[Moderator] Is there another question?

[Reporter] As for the parliament president's recent trip, did it take place after the decision to reestablish relations with Taiwan had already been made?

[Leal] No, Dr. Miriam Arguello left long before that in response to an invitation for a parliamentary visit to the PRC. Officials, ambassadors, and missions of the Republic of China in various countries had continuously courted us. If we visited Costa Rica, we were courted; they courted us in the United States and in other countries; they courted us during meetings of Central American deputy foreign ministers, who meet every 60 days to follow up on the security commission. We were courted by their missions to reestablish relations that were broken in 1985. We had been discussing the possibility of reaching an agreement, however, and made the decision later on.

[Reporter] I am from NOVOSTI. Mr. Deputy Minister, you pointed out that the signing of an agreement with the PRC was a decision of the previous government. What does this mean? That the new government will change every foreign policy decision made by the previous government? How will it do this? How will this affect Nicaragua's relations with countries with which the previous government established relations?

[Leal] No, at no time have we suggested that we would modify our relations with all countries. As I said at the beginning, the main element of our foreign policy is to have relations with all the countries of the world. If the previous government reached an agreement with the PRC, that is all right, but this government's decision with regard to foreign policy is to maintain relations with all countries, including the PRC.

[Reporter] Mr. Deputy Foreign Minister, because you were aware that other countries that established relations with the PRC broke relations with Taiwan, are relations with Taiwan or with the PRC more important to the Nicaraguan Government?

[Leal] To the Nicaraguan Government its relations with both Chinas are important.

[Reporter] Excuse me, Mr. Deputy Foreign Minister, but there is only one China in the world until the authorities of Taiwan recognize only one China in the world [as heard]. This is the foreign policy followed by the PRC as well as Taiwan. They recognize that.... [changes thought] For example, when the previous government established diplomatic relations with the PRC, Taiwan withdrew. This shows that Taiwan recognizes only one China. There are no two Chinas. That is known by everyone.

[Leal] As I said before, there is a single Chinese people. It is not the Republic of China, however, that established the condition of breaking with the other China. The truth is, and we clarified this, that the establishment of relations with the Republic of China did not oblige us to break or suspend relations with the PRC. I understand that the opposite is true, that the PRC requires that the country in question maintain no relations with the Republic of China.

I believe and the government believes that it is a sovereign right of Nicaraguans to establish relations with all the countries of the world, and we told the Republic of China that we would not accept the condition of breaking relations with the PRC and under no circumstances should it place that condition.

[Reporter] Mr. Deputy Foreign Minister, in certain political circles it is commented that this decision by Nicaragua constitutes a political mistake, because it failed to take into account that the PRC is a member of the UN Security Council. What is your opinion?

[Leal] I believe that the most important thing here is the exercise of democracy. In other words, the politicians and all political parties have a right to express their views regardless of what the government decides to do. There is no reason for them to fully agree with all our decisions. We respect that opinion and hope that we will all be able to continue to express our own views, because we have a free and sovereign country; a country in which all citizens—politicians and non-politicians—may freely express their views.

[Moderator] Let us end the news conference at this point. Thank you very much for coming.

H. Ortega on Road Block, Armed Forces Reductions

PA1011023190 Managua Domestic Service in Spanish 1836 GMT 8 Nov 90

[News conference by General Humberto Ortega Saavedra, commander in chief of the Sandinist People's Army (EPS), moderated by Lieutenant Colonel Rosa Pasos, Defense Ministry public relations director, with local and foreign reporters at the central headquarters of the Public Relations Directorate of the EPS in Managua—live]

[Text] [Reporter] [Question indistinct]?

[Ortega] In the past few months we have been involved in an intense process to recover as many weapons as possible still in civilian hands. We have made progress in efforts such as those made within the dialogue and the National Agrarian Commission; in the area of political communications through a systematic dialogue between the government and various political groups, specifically the Sandinist National Liberation Front [FSLN]; through civilized, though heated discussions at the National Assembly; and through other channels of communication such as UN initiatives, including a meeting involving government representative Antonio Lacayo, Sandinist representative Daniel Ortega, and U.S. Ambassador Shlaudeman, to discuss the cooperation that Nicaragua needs.

It is obvious that all these efforts which led to dialogue and communication, and to the finding of civilized and reasonable means to bring about the definitive peace that Nicaragua is clamoring for, will help us to once and for all generate a basic trust, as many people still possess rifles and refuse to surrender them. As a result, we have been forced to undertake very difficult counterintelligence work to determine who has such weapons and to confiscate them. This is how we have been recovering weapons.

The violent actions that took place in the past few weeks and specifically the irresponsible attitude displayed by certain mayors, according to reports I have received from the Government Ministry, Army authorities, and other civilian and religious authorities from Region 5, worry these authorities and cattlemen. This is because groups that do not represent a majority of the population are apparently being encouraged by some people with ties to Managua to boycott the peace-seeking efforts that are evidently succeeding here. Since 25 February we have accomplished more on the path of understanding than on that of nonunderstanding.

There is an ongoing dialogue here. The government recently met with Sandinist and non-Sandinist workers to follow up on the agreement that was reached. We are seeking ways to maximize the benefits of the dialogue to greet the new year with an agreement that will bring increased stability. We are searching for ways to resolve the land problem to avert another armed conflict and distribute the land fairly. In Region 6 we even reached a basic agreement with all those involved in a national commission—with everyone, Sandinist and non-Sandinist, employers and workers, and members of the former Resistance represented by [Commander] Franklin—to settle the land conflict.

In fact, some private owners are even willing to cede their land as a form of indemnification and to settle the problem affecting a majority of the people who are demanding land. The land problem there does not involve revolutionaries or non-revolutionaries. It involves poor peasants who want to feed themselves and to work.

Peasants are not distinguished by whether they are Sandinists; they are only distinguished by whether they are poorer or less poor than another. They all want land. In this regard there is an effort which will surely mature. It is a difficult and complex effort affected by much distrust. Reactionary groups do not want us to reach an understanding.

Obviously, the recent intensification in efforts to provoke chaos.... [changes thought] They first said that Sandinism would provoke chaos in November. We have followed this up, and based on the information provided by police intelligence and counterintelligence, we found out that this November FSLN members and FNT [National Workers Front] workers are not the ones promoting chaos, because they have participated in the dialogue and the National Agrarian Commission.

According to investigations conducted by the appropriate Police and Army institutions, it is not the Social

Christian Party, the political party represented by Dr. Cordoba Rivas, the FSLN, or workers federations that are promoting an atmosphere of strength, boycott, agitation, and chaos, and roadblocks this month. It is the mayors identified with extremist groups of the now defunct UNO [National Opposition Union] coalition. They are making what I would call extremist plans. They are calling for a virtual change in government. They are virtually calling for a coup d'etat. They are calling for the dismissal of a large number of officials of the current government.

In that regard, we have also been told that there are extremist sectors in the fields and some sectors of the demobilized contras, who were already on a level of some understanding, who get nervous, are manipulated, and have been digging up some arms they had hidden. There has also been some arms smuggling.

We have told the rank and file of the contras and the Army not to fall into that trap because we achieve nothing by confronting each other with arms, and that Nicaraguans are the only ones who would lose because no investors or anyone will come to help Nicaragua when in fact no one wants to help the Central American countries. Everyone is trying to defend themselves and no one is thinking of helping another country. If we Nicaraguans do not help ourselves, we will sink.

We have been trying to stop that but it is true that some hostile situations exist. I did not see the Extravision television newscast yesterday, but there are more or less some things that may lead one to believe that.

[Pasos] Extravision newscast.

[Reporter] I would like to know up to what point is the Army's command willing to [words indistinct] the retirement of troops as has been requested by the rebels on the road [words indistinct]. I ask this because there have already been such situations, and in the meantime the Government Ministry is saying that they did accept these demands. A second question also: Has the Army [words indistinct] the president has asked the Army to intervene in this conflict as they did in July in Managua?

[Ortega] No [word indistinct] any part of the leadership of a country's government can be blackmailed by anyone. Thus, the decisions made by a government and the steps taken by the institutions, in this case the Army or the police, do not correspond to blackmail, but simply to the administration's decision.

In the Army's case, we will not yield to blackmail from anyone, no matter who they are. We did not do it during the war and we will certainly not do it now that we are working to ensure peace and are seeking a constitutional framework. Instead, we are looking for ways to find an adequate solution. Those people who are proposing nonsense can propose anything. They propose the dismissal of practically the whole government. They should stop this attitude.

What was your other question?

[Reporter] Whether the Army has been requested to intervene as they did in July.

[Ortega] Well, you know very well that this involves a process. First, the Government Ministry has been directly looking into this. They have requested that we activate our coordination. There are already permanent agreements between the Government Ministry and the Army, and that was the reason for the visit by Government Minister Carlos Hurtado and Major General Joaquin Cuadra to the 5th Region: to seek an adequate solution to this problem.

We have proposed, however, that this is looked at calmly but seriously. What we basically want is to have the problem solved, that these attitudes are dropped, and that these people understand that they are acting against the law. If they continue thus they will be outside the law and will have to be punished according to the law.

We believe, however, that this could be solved by means of adequate communication and constructive dialogue. But in this country we cannot yield to blackmail from anyone.

[Pasos] [Words indistinct].

[Reporter] [Words indistinct]. You announced the conditions that will be granted to the officers who will be retired. Where does this money come from? Has the central government promised to [word indistinct] to the Army or will it be some foreign aid?

[Ortega] The budget is prepared by the government based on the resources the country has; this is how every government does it. Based on that, the government takes into consideration the budget needs of institutions, such as the police force or the Army.

Obviously, the country is experiencing a very difficult situation. For instance, if the USSR and the former Socialist bloc countries were not immersed in a crisis, the country would have received important aid from them, including oil and other goods, in addition to the assistance it is receiving from the United States. The economic aid from Socialist bloc countries fell through, however, and Nicaragua is almost worse off. This lack of cooperation from the USSR and other Socialist bloc countries is not for political reasons. This aid has been suspended because these countries simply cannot continue to help us. Thus, the situation in Nicaragua is worse. The government prepares its budget based on the available resources from all sectors.

[Reporter] How much is to be given to [words indistinct]?

[Ortega] Approximately $10 million.

[Pasos] [Words indistinct].

[Reporter, in progress] ...namely, to what extent are you going to allow these funds be redirected [words indistinct]?

[Ortega] Listen, I think that the best war one can win is the war one can prevent. The best general wins the war that never took place. In this case, we believe it is best if we do not have any clashes, although these days we may fight a little. We prefer this to falling into a trap, which may lead confused peasants to think that there is repression. What will the press say then? The press will say that the Army is.... [changes thought] Some media have irresponsibly promoted this situation. They have not condemned it. Here, we have media that has encouraged this situation thanks to the prevailing degree of tolerance in the country. This is very irresponsible, however, and I think they should act more responsibly. If we act hastily, it is bad; however, if we act slowly, it is just as bad. The point is knowing how and when to act.

First, we should use all means to try to persuade and talk to the mayors so that they can understand that they are wrong. We are working on this now. Today the government and the president herself summoned the mayors to a meeting that will take place in the next few hours, if it has not already begun. If they continue to show their disregard for the government and the authorities—after we have used all means to establish a dialogue—there will be a force in place that will be attempting to act not only against the Chontales Department region, but against the entire nation. Should this happen, we will enforce the law in these sectors and will reopen traffic.

[Reporter] [Question indistinct]?

[Ortega] Nobody wants more violence or a war in Nicaragua. This is a fact. These types of actions create uncertainty and fear among the people. Gen. Cuadra was telling me that some cattlemen, whose trucks were at the road block, were forced to unload their cattle. When they reloaded their cattle, there were several heads of cattle missing. There are all kinds of people out there, including criminals who take advantage of this chaotic situation.

In reality, the road blockade is an easy problem to fix. We can resolve this matter anytime, because it is not huge. There are not thousands of people blocking the road. There are only a handful who claim to represent the majority, whom they do not represent.

We think that it is not right to fall into the trap of sending the Army or the police there because what will they say then? They will say what some radio stations were irresponsibly saying here. These stations were reporting that the police are using tear gas to attack and repress the demonstrators. This is a problem for us because we have no support from those who are supposedly democrats and must understand this difficult moment.

What do the demonstrators want? They want us to resolve this problem. We would prefer that they withdraw from the area on their own initiative. We would not want to force them to.... [changes thought] because one may start to wonder whether this was correct or not. If we persuade them that they were wrong, they should change their attitude. If apart from that, they see that what they are doing is wrong, but they still wish to continue this protest, this is wrong. We should have already enforced the law, like every country does. We are ready to support the Government Ministry and the police at their request. This is now up to the police.

The police can perfectly well remove the demonstrators and open the road, but we do not want to fall into their traps, which is what the demonstrators want. They want to tell the world that they are being repressed by the Sandinists. They want to report that the Sandinists control the Army and the police and that is why they are repressing the people. This is what the irresponsible radio stations and newspapers want to report.

Pasos] [Words indistinct] a reporter from Radio Corporacion.

[Reporter] Could you tell us...

[Ortega, interrupting] Ah, this is one of them. [laughter in the background]

[Reporter] [Words indistinct] read yesterday at the Assembly. Part of it says that an explanation should be demanded because Mr. Lacayo [words indistinct]. What is your opinion on this?

[Ortega] I think it is totally irresponsible and foolhardy because there is no.... [changes thought] when someone issues a threat he should be prepared to carry it out. If they are willing to do it, let them do it. We will see if they are capable of doing it. I think it is simply a provocation or boastful remark from these people, however, and we hope they will set aside their position, because they are simply jeopardizing the Chontales workers' peaceful economic activities. The workers want to be allowed to work. The cheese maker wants to sell his cheese, the cattleman wants to sell his cattle, etc. All this is.... [changes thought] you can readily ascertain this. It is like saying: Do you support this, meaning Antonio Lacayo's dismissal? [laughter in background] See what I mean? That is against the law, and the government is the one which should decide this.

[Pasos] Sir, can you identify the media you represent?

[Reporter] Radio Mundial. I am Alfredo...

[Ortega, interrupting] Mundial?

[Reporter] Yes.

[Ortega] By the way, you called the former rebels reactionary extremists.

[Reporter] Who?

[Ortega] The former rebels.

[Reporter] No, I said extremists.

[Ortega] That is what some people think they are. Well, rebels anyway.

[Reporter] Anyway, the people in Region 5, like the Nicaraguan people, have requested your dismissal. What do you think about this? What is your attitude towards the proposal presented by practically the majority of the Nicaraguan people?

[Ortega] Well, you are the one who thinks it is the majority. Another question.

[Pasos] [Name indistinct].

[Reporter] The Salvadoran Government has insisted that weapons are still being sent from Nicaragua to the Salvadoran guerrilla groups with the Army's full support.

[Ortega] That is totally false. The United States, and even the [words indistinct], know it. That allegation is false. ONUCA [UN Observer Group in Central America] has been given all the facilities here to fulfill its supervisory role in the Central American area, as agreed on by the five Central American presidents. ONUCA has presented several reports and the Army has given it all the facilities to go and investigate the reports, and it has not been able to confirm any of them.

In fact, some high-ranking Salvadoran Army and security officials recently arrived and we went out of our way to clearly prove nothing of that is going on here. We decided to let them investigate a report they had. They were so full of mistrust that they went straight to the government palace and talked with Antonio Lacayo directly. The Army and the Police were called later on, and they refused to reveal anything until the patrol cars arrived. They mistrusted us and believed that we would alert someone if they disclosed the information in advance.

They boarded the vehicles and left, and when they arrived at their destination they found nothing. In fact, it seems that one of Arturo Cruz's daughters owned one of the houses. A U.S. official once lived there, about nine years ago. They found Arturo Cruz' daughter in the house where a guerrilla command center reportedly operated. She had recently leased the house where an official from the U.S. Embassy once lived. The officials then went to a branch of the Construction Ministry, but found nothing there either. They later went to a refugee center, and, logically, all they found there were Salvadoran refugees. Consequently, their allegations are false.

[Pasos] LOS ANGELES TIMES, [name indistinct].

[Reporter] General, can you clarify something for us. Are the 5,000 soldiers going to be retired today or is this going to be a gradual process of reduction?

[Ortega] They will all be gone by early next year.

[Reporter] By the end of the year?

[Ortega] That is correct. It is going to be a quick process.

[Reporter] What about those who are not going to retire? Can you give us an overall idea of how you are going to decide who will retire? Will there be specific requirements?

[Ortega] The requirements are strictly professional. We have decided that the soldiers with the best training and professional qualifications should remain on active duty status. It is only logical that if a reduction has to be made, we should retain those soldiers who are better qualified to perform the necessary duties. These would be the soldiers who are better prepared academically and who have a good service record. Basically, experience, training, and ability to perform the new duties assigned to them will be determining factors. There will be no other determining factors.

[Reporter] Will this be the last phase in the reduction or will this process continue?

[Ortega] The largest reduction is subject to the Central American Peace Agreement. At this stage, we are an army; we are the smallest army in Central America. We outnumber only the Costa Rican forces, and that is the truth. El Salvador has between 55,000 and 60,000 soldiers. Honduras has a smaller army, but currently they have more soldiers than we have. Guatemala has the largest army. The Nicaraguan Army ranks fourth in size among the Central American armies. Costa Rica falls under a special category. They do not have an army per se, but they do have armed forces. According to the Costa Rican security minister, there are some 17,000 permanently armed personnel in Costa Rica. They also have their reserves and if necessary they could have 27,000 armed personnel. In other words, we have what is considered an army, but in numbers we equal the Costa Rican security forces.

The Cental American Peace Agreement is being implemented. During a recent visit to Nicaragua by a high-ranking Honduran Army delegation and during other meetings and talks, they told us that Nicaragua is not a problem for them. They have recognized that we have made a tremendous effort. We also told them that we had no problems with Honduras and do not want problems with Honduras. We would like to reach a friendly agreement with Honduras; we would like to sign a nonaggression pact with Honduras. We know that their problem is El Salvador. They are worried because El Salvador has more soldiers, helicopters, and money than they have. They have a border problem with El Salvador. Therefore, we do not believe that our reduction will harm us; we are in no danger. However, further reductions would be a bit risky as long as there is no real agreement on what a reasonable number of soldiers in the region should be.

[Pasos] [Words indistinct].

[Reporter] I understand that [words indistinct].

[Ortega] [Words indistinct] approximately 40 percent.

[Pasos] Carlota [words indistinct].

[Reporter] [Question indistinct]?

[Ortega] As an institution we act within the framework of the Constitution and the laws that establish the guidelines to be followed by any organization.

We stick to the authority that the law gives us. We do not go one step further. We are not necessarily saying that one person has more power than another but that some institutions have more weight due to their nature. It is the president of the Republic who makes the basic and final political decisions.

[Reporter] [Question indistinct]?

[Ortega] I enjoy no quota of power. I only head the Nicaraguan Army.

[Reporter] [Question indistinct]?

[Ortega] I think it would be extremely good for Central American armies to do something similar to what we have done in Nicaragua. It has been said in El Salvador that the main problem they have there is the war. If there is no negotiated solution or political agreement in El Salvador, the war will continue and the Army will remain large. It has been said in Honduras that their Army cannot be reduced any further because of the trouble in El Salvador. The Hondurans said previously that the problem was Nicaragua. But El Salvador, not Nicaragua, is now the problem. I think it would be good to have an Army more or less like this one, which is adequate for the size of its population and inclined to peace. It is more devoted to support—through its organization and planning—important national plans for economic recovery, forest exploitation, and construction of roads. In other words, the Army can be very helpful in social and economic areas. The Army can be a great support, and this should be the trend.

[Reporter] [Question indistinct]?

[Ortega] I think warmongering has no place in the world because it would lead mankind to disaster.

[Pasos] We regret that it is impossible to air the reporters' questions because of the small size of the room in which the news conference is being held.

[Reporter] [Question indistinct]?

[Ortega] As I said, such a decision was made here to ridicule the Salvadorans. President Cristiani first called the president saying he would send an important delegation with important information. But the idea was to take the Army by surprise and try to prove that it had been aiding the guerrillas. We were even involved in this. The following day a large delegation arrived with much information. They also called the Army and the police. They really wanted to harm the Army by saying that the Army is supporting the rebels. They tried to catch us red-handed and then put ideas into the president's head to create a problem between her and us. This is what was behind this action. In addition, the delegation was not composed of 10 but only two people: the deputy minister and another person. We confirmed this because we control the country. I am telling you how it was. We received these people at the airport and know how many they were. The civilians there were from the local government ministry. Only two Salvadoran officials arrived here. There were no patrols or the like. These people apparently arrived in great secrecy. They mistrust us because there are still rumors that we are supporting the Salvadoran rebels. The police sent 10 radio patrols headed by Colonel Javier Carrion and Ricardo Wheelock.

We also called on ONUCA, whose delegates arrived at the Presidency along with Pallais of the Government Ministry. There was a big group there. Once there, the delegation said they had such and such information. Someone tried to use a telephone, but there was a long line of people waiting and the person could not use it. All of them left. But we were also interested. I told our companeros to show that we did not know anything. We have nothing to hide because we are not involved in any such activities. The companeros went to prove otherwise. The first hullabaloo was over the case of a lady who recently arrived from the United States. She is married to a member of the Pierson Jackman family, which owns a furniture chain. She is also the daughter of Arturo Cruz and is apparently not involved in guerrilla actions. The truth is that the lady had a terrible experience because she was accused of being a guerrilla. A parabollic antenna was being set up and, when the Salvadorans saw it, they cried: There it is! The antenna was being erected by some men. Such a scandal. But they found no arms. Then they left. Now it is necessary to investigate Construction Minister Izcabalceta.

It had been said that another one of them was living there. They went there and found nothing. The only place where there were Salvadorans was the refugee center, and it is no secret that there are Salvadoran refugees there. The observers saw a lot of other people there as well, but there were only two Salvadorans.

We do not allow people from other countries to come here to meddle in our affairs, but we decided this time that it was suitable to let this group come to clear this matter once and for all.

The role of ONUCA is not to search houses. If ONUCA hears charges in El Salvador that there is a guerrilla camp or a communications center in Nicaragua, then ONUCA is to inform the Army or the Government Ministry and to file charges. Then it goes with representatives of these institutions to study the situation. This is as far as ONUCA can go. ONUCA cannot disturb any residence of Nicaraguan citizens. Otherwise, we would be facing a very regrettable situation. Well, I think I have been thorough enough.

[Reporter] [Words indistinct] of Radio Nicaragua. General Ortega, the Nicaraguan Human Rights Association, headed by Dr. Marta Patricia Baltodano, recently told this radio station that in the case of Yolaina, members of the EPS and the Sandinist police have fired on the people at random. What do you think about that?

[Ortega] That is an exaggeration. It did not happen that way. Anyhow, this can be further investigated by the Government Ministry, which is the institution that had to deal with that directly. Not one shot was fired. That information is completely distorted. Well, I think this is all.

RN Reaffirms Allegiance to Government

PA1111005490 Managua Radio Catolica in Spanish 2321 GMT 8 Nov 90

[Communique issued by the Nicaraguan Resistance (RN) in Managua on 7 November—read by announcer]

[Text] 1. Delegates of the Northern, Central, and Atlantic Fronts and Yatama [Miskito, Sumu, and Rama Indians, and Creole Groups Organization] met at the Las Mercedes Hotel on 12 September in the presence of delegates of international organizations and Cardinal Miguel Obando y Bravo's verification commission to consider the problems that the demobilized RN has been encountering. The following conclusions were reached during the meeting:

a. All fronts share the same problems.

b. Members of the extant government in collusion with the FSLN [Sandinist National Liberation Front] are attempting to divide and disband the RN. A meeting was convened to be held on 18 September at the same place and time. The tentative agenda for this meeting included the formation of a commission for unity, verification of compliance with the agreements, and need for communication between the fronts.

2. During the 18 September meeting of all of the fronts in the presence of representatives of international organizations, Obando y Bravo's verification commission, and Dr. Francisco Rosales Arguello as an impartial observer, the following decisions were reached:

a. Because all of the demobilized share the same problems, all of the fronts should unite to cope with these problems.

b. An executive commission is to be formed that will be the highest authority representing the interest of the demobilized of the RN. This commission will be composed of two representatives from each front and will have a coordinator and a secretary, whose functions will be determined by the full executive commission.

3. Representatives of all of the fronts met again at 1145 on 7 November to fully create the RN's commission of unity. The following actions took place during this meeting:

a. The previous memorandums were read and ratified in all of their points.

b. The eight members of the RN's commission of unity were designated.

c. An urgent appeal was made to the government to meet, as soon as practicable, the just demands of the demobilized RN on the pensions for widows and the war disabled and their relatives.

4. In view of the defeated Sandinist candidate's slanderous charges that the RN has been smuggling arms and perpetrating violent actions, we hereby declare that this insidious campaign aims at discrediting the RN and portraying its leaders as warmongering and in opposition to the government. Consequently, we are hereby reaffirming our willingness for peace and our recognition of the new government.

Managua, 7 November 1990.

[Signed] Information and Press Department of the Nicaraguan Resistance.

Mayors, Councilmen Express Support for Chamorro

PA1111002890 Managua Domestic Service in Spanish 2305 GMT 10 Nov 90

[Report by correspondent Adolfo Pastran Arancibia]

[Text] Dear listeners of Radio Nicaragua, we are now at President Violeta Barrios de Chamorro's private home. All the mayors, deputies, and some of the councilmen from Region Five arrived here this afternoon to meet with the president and express their broad and full support to her government's efforts.

Mayors, deputies, and the councilmen who have arrived here from Region Five have noted the difficulties municipal leaders and demobilized and disarmed members of the Nicaraguan Resistance have been facing, as well as some arbitrary actions carried out by the police and the Army in that region.

The president has been very receptive and broad-minded in listening to the complaints from municipal leaders from this particular region. They have reached what we could describe as a broad agreement.

A commission made up of representatives of the mayor and deputies are presently drafting a joint communique, which they will sign with the president of the Republic and some Cabinet members who are present here. In that document they will express their support to the president, her government's efforts, and her government in general. They have reiterated their full support to the president and have denied that they have at any time headed an insurrectional movement aimed at promoting a coup d'etat.

The president and all the members of her Cabinet will travel by land to Muelle de los Bueyes early tomorrow. The president will personally help remove the huge barricades that were erected along the road from Juigalpa to Muelle de los Bueyes. She will then meet at

Muelle de los Bueyes with all the mayors, deputies, and some of the councilmen from Region Five to find specific solutions for the problems affecting the demobilized Nicaraguan Resistance members.

Communique on 10 Nov Chamorro Working Session

PA1111150890 Managua Radio Sandino in Spanish 1308 GMT 11 Nov 90

[Communique issued by the Nicaraguan Government in Managua on 11 November]

[Text] 1. President Violeta Barrios de Chamorro convened a working session at her home yesterday afternoon. Some mayors, town councilmen, and 5th Region deputies attended the meeting.

2. During the meeting, President Chamorro listened to the mayors' reports on the situation in this region.

3. The president had planned to visit Muelle de los Bueyes today, if the El Rama highway was clear, to participate in the planned celebrations and the outdoor mass for peace and reconciliation, scheduled to be officiated by Msgr. Constantino Diaz, who accompanied the mayors' delegation.

4. The president also decided to hold a government Cabinet session in Juigalpa on 21 November to find solutions for the problems with the regional authorities. The president also reported on the army and the (?reorienting) of the 5th Region regarding the army's reduction and the disarming of civilians.

5. Nevertheless, after 10 hours of talks, the visiting delegation failed to pledge to definitely clear the El Rama highway. For this reason, the president postponed her trip to Muelle de los Bueyes.

6. At the end of the session, President Chamorro reiterated her willingness to solve the problems and invited those involved to clear the El Rama highway and restore normalcy in the region. The president of Nicaragua reaffirmed that it is her government's policy to negotiate and talk in order to settle the country's problems.

Managua, 11 November 1990.

Chamorro Urges Return to Order in Region 5

PA1311044890 Managua Domestic Service in Spanish 0100 GMT 13 Nov 90

[Address to the Nation by President Violeta Barrios de Chamorro; place not given—live; broadcast in progress]

[Text] [Words indistinct] The meeting was to try and find solutions to the problems that have emerged in that Region 5. For over 20 hours various government ministers and I talked to mayors on the need for their municipalities to return to peace and order. We tried to have them agree to open the road to El Rama. This blockage is damaging and illegal. I promised that if the road was opened I would travel the following day to Muelle de los Bueyes to visit the mayors who wished to meet with me. I thank the kind words of support the mayors expressed both personally and on behalf of their constituents.

However, when it came to signing a communique committing themselves to reopen the road, they refused [words indistinct]. They insisted that I travel to Muelle de los Bueyes, making it clear that they would not change their quasi-subversive attitude, even though they claim to support my government through a movement they call Democratic Salvation [salvacion de la democracia].

Under these circumstances I cannot travel to Muelle de los Bueyes. I told the mayors that my investiture of authority did not allow me to travel on an illegally closed road and that their attitude did not conform with the messages of affection and solidarity they brought from their people. I told them that what I initially believed to be fair demands by the former Nicaraguan Resistance members—which I myself had previously said would be fully adhered to—has become politicized [words indistinct].

I asked the mayors to think about this and to put an end to this attitude. I also promised them that a full Cabinet working session will be held on 21 November in Jugialpa, Chontales Department, to discuss in depth the problems of the area and to try to resolve them as quickly as possible. I insisted that we sign the communique that we had jointly prepared to report the success of our meeting to the country. It was all in vain. The mayors and their advisors walked away from my home at about 0300 and went to Las Mercedes Hotel. I ignored some disrespectful things that were said to me, because my priority was and continues to be to find solutions through dialogue and persuasion.

I once again call on the mayors and some Region 5 deputies and councilmen to change their attitude. Some of the demands are reasonable, and I am ready to satisfy them, especially those that refer to personal and material security of the former contras, [words indistinct]. I remind you that the international aid we are about to receive as well as the much-needed foreign investment could be placed in jeopardy with these attitudes that go against the law. That would be a crime against our people. The blame will fall upon those responsible for overtly or covertly planning this situation. I am now thoroughly convinced that there are political interests behind all this.

Lastly, I want to go on the record saying that I have never believed that the people of Region 5 wish to kidnap me. Neither am I being held hostage here in Managua, as some irresponsible people have said. I insist that I am acting as the president and in full exercise of my activities.

Once again, I call on all Nicaraguans for peace, prudence, and respect for the law, which all are obliged to obey and ensure it is obeyed. Good night.

Government Facilities in Masaya Occupied

PA1111122690 Managua Radio Sandino in Spanish 1200 GMT 10 Nov 90

[Text] Last night UNO [National Opposition Union] activists occupied Telcor [Nicaraguan Telecommunications and Postal Services] and Sandinist police facilities in La Choncha, Masaya, where there were clashes between Sandinists and UNO members in June.

A source reported that the demonstrators installed a checkpoint one km from the town, where approximately seven men armed with AK rifles stopped and inspected vehicles.

There were three policemen in the town, whose whereabouts are unknown. Our source also reported that cooperative leader Juan Manuel Gonzalez was wounded in a hip during the incidents.

Top Government Ministry officials instructed the police in Masaya not to intervene and to wait for orders.

This is the first city in the Pacific region, located some 35 km from Managua, where UNO members have carried out protests of this magnitude, which creates more social tension.

Agreement Ends Occupation of Bluefields Buildings

PA1111014490 Managua Radio Sandino in Spanish 1244 GMT 10 Nov 90

[Text] Calm has returned to Bluefields after an agreement was signed among the government, UNO [National Opposition Union] sectors, and former contras. Here is a report from Bluefields by Eddy Carlos Monterrey:

[Monterrey] Several conclusions or agreements were reached during a meeting held at the South Atlantic Regional Government's office with the participation of a commission from UNO, observers from the former Nicaraguan Resistance [RN], representatives from the Regional Council, and the governor, with the assistance of a mediating commission.

The most important agreements include the revision of all the regional ministerial delegations, including the Government Ministry, the immediate creation of a regional inspector's office for the region, and the appointment of Randolph Hodgson as general civil inspector for the South Atlantic Autonomous Region. This inspector will receive all the complaints against military authorities and will act according to the seriousness of each case.

Another agreement expresses support for some of the demands presented by Region 5, such as demilitarization, disarming of civilians, and compliance with the agreements between the central government and the RN.

In the case of Indera, Development Institute for the Autonomous Region, the regional government committed itself to conduct the necessary efforts before the Central Government for its dissolution, since Indera contradicts the spirit of the autonomy statute of the Atlantic Coast regions.

After four days of tension in this city, a result of irregularities such as the occupation of the Carlos Fonseca Civic Complex, Radio Zinica, and Telcor [Nicaraguan Telecommunications and Postal Services] facilities, as well as the blocking of several main roads by UNO activists, it is expected that the occupations will end peacefully and that the situation will be back to normal today.

[Panama City ACAN in Spanish at 2054 GMT on 10 November reported that "dozens of people who were occupying the Municipal Palace and Radio Zinica facilities in Bluefields for four days today evacuated the buildings after a provisional agreement was reached with the authorities."]

4 Killed in Nueva Guinea; Minister Comments

PA1211025690 Managua BARRICADA in Spanish 10 Nov 90 pp 1, 5

[Text] Government Minister Carlos Hurtado has said that the demobilized members of the Nicaraguan Resistance [RN] are not linked to the violent actions promoted by 17 mayors in Region 5. He also gave a preliminary report on the 9 November incidents in Nueva Guinea, where, according to official reports, four people were killed and 35, including nine policemen, were wounded.

Based on information gathered at the site last night, the number of dead had increased to four, while 33 had been reported wounded.

Hurtado referred to the results of the meetings he held with Oscar Sovalbarro, alias "Ruben," and Bishop of Juigalpa Monsignor Pablo Vega, who have been mentioned as promoters of the incidents. Hurtado said that they both favored the meeting between President Violeta Chamorro and the mayors to find a solution for the problem.

Hurtado said that Sovalbarro differentiated between the demands made by the demobilized RN members and the mayors. He noted Sovalbarro reportedly participated in a meeting of 15 mayors on 9 November to state positions and contribute to solving the conflict.

Hurtado did not approve of the methods of pressure used by the mayors against the government. However, he dismissed the idea that it could be a coup attempt. "This proves that although they belong to the UNO they can disagree," he stressed.

Meanwhile, Health Minister Ernesto Salmeron appeared before the National Assembly and said that to prevent a possible deterioration in the tense situation the Health Ministry decided in advance to reinforce the hospital in Nueva Guinea with medicines and surgical personnel. He added that previously, complying with commitments acquired by the government in May, and in coordination with Mayors Isaac de Leon and Armando Incer, first aid kits were distributed to former contra commanders.

Regarding the incidents in Nueva Guinea, Hurtado said that initial reports stated the violent actions began on 8 November when barricades were erected by the same people who blocked the road to El Rama.

A peace mission made up of evangelical pastors convinced the demonstrators that they should remove the barricades. However, two were left near the police station. The shooting, which began when policemen were removing the obstacles, came from the park where those who had erected the barricades had withdrawn.

A second shootout occurred during a harassment by approximately 20 former members of the Southern Front, who armed with AK rifles attacked the police station. Later on, the group surrendered to CIAV [International Commission of Support and Verification] representatives.

Government representatives, Cardinal Obando y Bravo, and CIAV delegates traveled to the area to conduct a thorough investigation. Hurtado admitted that there were strong speculations regarding the possible participation of Vice President Virgilio Godoy in the incidents, but said that he did not have specific information.

The government will maintain its position of using all the mechanisms available to solve the situation through dialogue, Hurtado said when asked about the possible participation of army troops in the incident. However, he said that the EPS [Sandinist People's Army] reinforced the brigade in Nueva Guinea.

As part of the mission carried out in Region 5, Hurtado said that he met in Juigalpa with representatives from various sectors, including some groups demanding his dismissal. He said that their main concern was the subject of disarmament.

As a result of those talks, it was agreed to create commissions made up of civilians, policemen, and army troops to investigate charges about arms possession. Confiscated weapons will be destroyed right where they are found.

Hurtado said that the Agrarian Commission decided to designate 23,000 manzanas of land where the demobilized RN members can settle. He expressed his confidence that the meeting between the mayors and President Chamorro will take place today.

Riot Police Disperse Demonstration in Boaco

PA1211201190 Paris AFP in Spanish 1928 GMT 12 Nov 90

[Text] Managua, 12 Nov (AFP)—Over 150 riot police, supported by three helicopters, today dispersed a demonstration by former contras in Boaco, 88 kms away from Managua. Several persons were killed and over 50 were wounded, Nicaraguan Red Cross sources reported. According to this report, the disturbances took place at 1045 when the demonstrators were putting up roadblocks to block access to the city.

Radio Catolica confirmed the news and reported that dozens of people were beaten, including a deputy from the National Opposition Union, the coalition that brought Violeta Chamorro to power on 25 February. Government Ministry sources told AFP that a delegation went to the site to investigate the incident, but did not provide an official version.

Obando y Bravo Discusses Chamorro Meeting

PA0911191590 Managua Radio Corporacion in Spanish 2300 GMT 7 Nov 90

[Telephone interview with Cardinal Miguel Obando y Bravo by Ernesto Ramon Garcia Canales in Managua—live]

[Text] [Garcia] Good afternoon, listeners of the country's leading radio station. I have contacted Cardinal Miguel Obando y Bravo, who is going to report on today's meeting between members of the Episcopal Conference and President Violeta Chamorro, during which the Conference presented a list of petitions from the demobilized Nicaraguan Resistance forces. Please go ahead, Cardinal. We are listening.

[Obando y Bravo] In effect, the Nicaraguan Episcopal Conference had a meeting scheduled. At approximately 1100, the Conference received a telephone call from the president, during which she expressed a desire to talk with the bishops. The bishops said that she could converse with the Episcopal Conference at 1200, and today at 1200 sharp the president of the Republic was at the Episcopal Conference headquarters. She was accompanied by Presidency Minister Lacayo. Deputy Presidency Minister Adan Guerra, I believe his name is, was also there, as was the deputy government minister. Presidency Minister Antonio Lacayo explained the problems the country is currently facing, and added that the government thought that because the mayors are promoting this situation [road blocks] it is a political problem and therefore a political solution should be found.

We also discussed other problems. The bishop of Juigalpa, who visited El Coral, explained the people's situation there. These people explained to him that theirs is not a purely political problem and that every issue is political in the bishops' eyes. Chamorro gave us a sheet of paper which states that on 8 November she will meet at the Presidential House with the mayors involved in these affairs, because it seems as if it is the mayors who are promoting the movement to block highways. The bishops discussed the national situation in a very respectful manner. They expressed their points of view to the president, making her see that the church has always tried to view events in a religious light, that from Somoza's time the church has always intervened when there have been situations of injustice, and that it had intervened in the disarmament of the armed resistance. We told her that the church had always played an important role and that it is considered co-responsible for the disarmament, which is why it was offering suggestions. It is along these lines that today's meeting transpired.

[Garcia] What are the leading demands the Nicaraguan Resistance is making of President Chamorro?

[Obando y Bravo] We did not give the president any list of petitions. One of the bishops read a few of the points stated by the individuals involved in the road blocks. They said that they had presented a list of petitions, but we did not present that list of petitions. Some of the points on the list were mentioned. We all know what petitions were made. The minister had the list of petitions and he said that it does not discuss land, but institutions and certain government ministers. The problem is of a political nature.

[Garcia] Cardinal, what is the current situation of the people who are at the Las Sierritas Church?

[Obando y Bravo] As you know, at 1057 on 4 November a group of people who were members of the Southern Front said that they would occupy the Las Sierritas Church. I explained to them that the church does not have water, that sometimes there is water only during the night. I told them that the church has only one bathroom, that it is used by the nuns who are in charge of spiritual guidance, and that they could not use the bathroom because it is closed to them. I also explained to them that they would be establishing a precedent. I encountered no problems when I officiated the 1100 mass, but when mass was over they told me they had listened to my suggestions but had decided to occupy the church as a means of pressuring the government into giving them land and fulfilling all of the pledges it had made in the agreements signed in Toncontin and in Managua. These people are currently staging a hunger strike. I have been told that they are only taking a little water with lime.

[Garcia] Cardinal, do you believe that it will be possible to officiate mass on 11 November at the Santo Domingo hermitage at the traditional time of 1100?

[Obando y Bravo] I hope mass can be held as usual. The problem is serious because they have said that it will continue until the problems of the people in El Rama—who are approaching Santo Tomas—are solved. They feel that all of these problems must be jointly resolved.

Panama

'Hardened' U.S. Position on Treaty Viewed

PA0911180090 Panama City LA ESTRELLA DE PANAMA in Spanish 7 Nov 90 pp 1, A2

[Report by James Aparicio]

[Text] Government and diplomatic sources have reported that the United States has "hardened" its position in the face of Panama's resistance to investigate U.S.-based fiscal fraud through the Mutual Legal Assistance Treaty, the initial goal of which was to suppress money laundering and drug trafficking.

The treaty proposed to Panama in March is part of a four-agreement package of suggestions made by the United States to fight drug-related crimes, terrorism, and money laundering in Panama. It includes the investigation of fiscal fraud committed in the United States.

Michael Kozak, principal deputy secretary of state for Inter-American Affairs, presided over a U.S. mission which met with Deputy Foreign Minister Jose Mulino, who represented the Panamanian delegation.

It was learned in diplomatic circles that Kozak presented an even "harder" counterproposal to the assistance treaty that would adversely affect the foundations of the banking center and the corporate system.

Panama has agreed to sign a treaty to fight money laundering, but our consulted sources warned that the members of the U.S. negotiating team have publicly exerted political and economic pressure. This has been termed "unacceptable" by the current authorities.

Although Foreign Minister Julio Linares and Panamanian negotiator Raul Mulino have abstained from commenting on the progress of the negotiations, it was reported that the dates for the next round of negotiations have not been decided. This adversely affects the disbursement of a large portion of the $480-million assistance package that the country "urgently needs."

'Strategy' Said Bringing 'Results'

PA0911201490 Panama City EL DIARIO INDEPENDIENTE in Spanish 9 Nov 90 p 7

["Skylight" column by Rathell Kora]

[Text] The strategy mounted by the United States to make Panama capitulate appears to be reaping the expected results.

After the Torrijos-Carter treaties were signed—a fact which cost Jimmy Carter the Presidency or at least his reelection—the U.S. conservative sectors realized that the document signed between Panama and the United States meant the gradual withdrawal of troops and military bases from Panamanian territory and, moreover, the loss of its geopolitical manipulation of the area.

For these sectors it was important to "liquidate" the two signatories of this document. Carter was politically wiped out and mired in total darkness. Torrijos was physically eliminated on the hillside of Cerro Marta.

The second move was focused on utilizing Noriega as internal spearhead. Noriega took charge of "eliminating" Paredes with the famous "accolade" and remark: "Good jump, Paredes." The United States maneuvered carefully, giving the impression that it was strenthening the FDP [Panama Defense Forces] so that they could take charge of defending the canal. On the other hand, however, the United States was fanning the traditional sectors and organizations that maintained a multinational spirit and yearned for political designs in the image and likeness of a free associated state.

In a premeditated move, Noriega was placed in command. The military apparatus at the Pentagon encouraged and boosted him. The fact that Noriega, the intelligence bureaucracy, and the U.S. Pentagon maintained close ties until 1986 is no secret to anyone. After that year, however, and mainly as a result of the failure of the Barletta administration, on whom the financial sectors had banked great hopes, Noriega no longer represented a practical guarantee, especially when his links with drug trafficking and money laundering were discovered.

This being the case, what the United States is trying to create with the Mutual Legal Assistance Treaty is a climate of uncertainty that will accelerate depression, instability, and social unrest to the point that Panamanian inefficiency and inability to govern will show. The final objective is to legally recover the canal installations to maintain the U.S. presence after the year 2000. We must admit that it has been a fine and skillfully designed strategy by the manipulators of prestige and power.

Foreign Ministry on Status of Treaty Negotiations

PA1011021290 Panama City LA ESTRELLA DE PANAMA in Spanish 9 Nov 90 pp A-1, A-2

["Communique" issued by the Foreign Ministry in Panama City on 8 November]

[Text] The Republic of Panama and the United States are currently in an advanced phase of negotiation on the Mutual Legal Assistance Agreement. That agreement will enable the governments of both countries to collaborate in a more effective way in the struggle against drug trafficking, money laundering, and other crimes. In general terms, the agreement being negotiated will follow the guidelines of international agreements signed by other countries.

The recent round of talks in Panama resulted in a definition of objectives, which basically reflect coincidental goals, as well as some differences that concern implementation of the agreement and some legal aspects.

Regarding the current negotiations with the United States in connection with a possible Mutual Legal Assistance Agreement, the Panamanian Government states the following:

1. Since its installation, the current government has cooperated and continues to cooperate extensively in the international struggle to eradicate drug trafficking. In addition to the marked interest in fighting that scourge, because of the harm it causes to the country's social and family structures, the damage caused to the Republic of Panama and its people by the drug barons during the narcodictatorship is quite obvious.

2. In that regard, Panama has already adopted the following measures:

a. Law 23 of 1986 severely punishes drug trafficking and identifies money laundering as a crime.

b. Cabinet Decree No. 41 of 13 February 1990 "establishes administrative measures to prevent banking operations with funds obtained through illegal activities related to drugs, defined punishment for those who conduct such banking operations, and granted the National Banking Commission authority in that regard."

c. The National Banking Commission issued Agreement No. 5-90 of 19 March 1990, adopting a "policy to prevent cash operations using, or using as collateral, funds obtained through illegal activities related to drug trafficking."

d. The Mutual Cooperation Agreement between the Government of Panama and the Government of the United States to reduce the demand, prevent the illegal consumption, and fight the production and illegal trafficking of drugs.

3. With the dictatorship's fall, the aforementioned legal procedures have become powerful and effective instruments for legal and administrative action against drug trafficking and money laundering.

4. To fight crime, including international drug trafficking, the United States has proposed to the Republic of Panama the signing of an agreement that will facilitate legal assistance to obtain evidence that will permit a quick and efficient investigation and repression of crimes with extraterritorial effects.

5. After consultations with national bodies interested in the subject, Panama has negotiated with the U.S. Government and expressed its views and learned about the views of that country. The goodwill displayed in the negotiations cannot, however, in any way be construed as a renunciation on the part of the government of our national interests, which are, by the way, paramount when they pertain to anything having to do with the development of our service economy, which mainly includes the activities of the international banking and financial centers that flourish in our country.

6. The Republic of Panama believes that the signing of an effective agreement can be achieved without undermining its basic interests and violating judicial order.

7. The national government on this date has presented its views to the U.S. Government and hopes that the aforementioned negotiations will continue in the immediate future.

Panama City, 8 November 1990.

Arias Calderon Discusses Noriega Case

PA0911191690 Panama City Circuito RPC Television in Spanish 1743 GMT 9 Nov 90

[Text] Ricardo Arias Calderon, first vice president and government and justice minister, has said that Panamanian authorities do not know why former General Manuel Antonio Noriega held conversations with some of his followers remaining in Panama.

[Begin recording] [Arias] So far, we only know that Noriega has been talking to some of his followers here in Panama. Other than that, we do not know the nature or purpose of his conversations.

[Reporter] Mr. Vice President, taking into account that Luis Gomez, former Democratic Revolutionary Party legislator, spoke with Noriega, and the fact that Gomez could play an important role in destabilizing the country, could the Foreign Ministry demand that Gomez leave the Cuban Embassy and be placed in the custody of the Panamanian authorities?

[Arias] If it is confirmed that Gomez, while in the Cuban Embassy, did speak to people outside the embassy, then it would appear that the rules governing the alleged asylum are not being heeded.

[Reporter] There has been talk of promotions in the Public Force. Can you confirm this?

[Arias] No decision has been made yet regarding promotions or personnel. [end recording]

Ambassador Discredits CNN's Noriega Recordings

PA0911155990 Panama City Radio KW Continente in Spanish 1208 GMT 9 Nov 90

[Interview with Eduardo Vallarino, ambassador to the United States, by Homero Londono on 8 November; place not given—recorded]

[Excerpt] [Londono] Recordings of conversations between former General Manuel Antonio Noriega, his lawyer Frank Rubino, and close associates here in Panama, were aired today on the U.S. Cable News Network, CNN. Eduardo Vallarino, Panamanian ambassador to the United States, said that according to what he has heard, these conversations were between Noriega and the Cuban Embassy in Panama.

[Vallarino] They say these are recordings of conversations between Noriega and his lawyer. That is not true. What I heard were recordings of conversations between Noriega and the Cuban Embassy, with Lucho [Luis] Gomez, who is at the Cuban Embassy. I have been informed that there is nothing in those recordings that has to do with the trial. In those recordings Noriega is simply issuing instructions on what is to be done with his money and on how to disrupt the lives of the Panamanian people. That man has access to a telephone and all he is doing is messing up Panama.

[Londono] Will this affect Noriega's trial?

[Vallarino] It is my opinion and the opinion of our lawyers—the lawyers Panama has on this case—that those recordings have no legal bearing. The United States protects the conversations between a client and his lawyer. What a client tells his lawyer is confidential. What a prisoner tells a third party, however, especially when that person is abusing the rights granted him by U.S. law—which is what Noriega is doing—is not confidential.

As I understand it, Noriega called his lawyer's office in Miami. Hours later calls were made to other places, both inside and outside the United States. Most of the calls were made to Panama and Europe. He talked to his associates about several things. These were not, however, calls made to his lawyer; these were calls to third parties. The client-lawyer privilege does not apply therefore in this case.

[Londono] What is Panama's situation at this moment? What kind of an image does Panama have abroad?

[Vallarino] Unfortunately, a campaign has been launched here in the United States—I believe it was launched by a Panamanian citizen—to discredit President Endara. I have no proof as to who this person is. I have been told his name, but I have no proof. He is a Panamanian Government official.

[Londono] Despite all this, we have heard that Panama's international image is not good. As an ambassador, what can you say about this?

[Vallarino] I believe Panama's image is good. There is a cloud currently hanging over Panama's image because of all these groundless charges and insinuations. This affects us, but these are only groundless insinuations. No names or places are given. This is not the way things are done. [passage omitted]

Bar Association President on Trying Noriega

PA1111200590 Panama City Radio KW Continente in Spanish 1219 GMT 11 Nov 90

[Text] National Bar Association President Jose Alberto Alvarez has said that Panamanian justice is capable of trying Manuel Antonio Noriega.

[Begin Alvarez recording] Here in Panama we are trying to achieve respect for the law. We want both officials and citizens to respect the law. There is a rumor about the television network that has the recording of General Noriega's conversations being in a legal battle. If that is true, I am sure that Noriega's attorneys would try to have the case dismissed, and the U.S. judge.... [changes thought] There are precedents for cases being dismissed, and that is not all; Nixon fell for ordering or allowing illegal recordings. It is possible that the case will be dropped, and if this happens, there would be legal ramifications for our country.

I think that there has been some mention of [changes thought] without knowing much about it, some officials have been expressing their opinions about extradition. The United States has not signed any multilateral agreement on extradition. Coincidentally, right now, the United States is trying to get Panama to sign a Mutual Legal Assistance Treaty that will include topics such as extradition. So, if the United States turns Noriega over because he cannot be tried, then Noriega or his lawyers here in Panama would invoke clauses that would prevent us from trying him on those same charges.

It should be recalled that recently, in a legal aberration, our Ambassador Vallarino, the Panamanian ambassador to the United States, struggled to get Noriega sued in the United States. I do not know whether that suit has been filed, but if it falls through, we could not try Noriega on the same charges here in Panama. We would have to find charges that have not been filed against General Noriega. Can you imagine the legal conflict we face now? The case is now easier for Noriega's lawyers than it was before the recordings. The President of the Bar Association said that Panama has not ratified the Caracas Interamerican Agreement on Extradition.

Panamanian justice is absolutely capable of trying Gen. Noriega, because it was here in Panama where Gen. Noriega planned and executed all the crimes he is being charged with.

About forfeiting the.... [changes thought] It is truly inconceivable that our Panamanian authorities gave up the idea of trying Noriega here and sent him to the United States or allowed him to be taken.

International law aside, I would like to say that when a national figure is taken away in such a manner.... [changes thought] I do not think that Noriega.... [changes thought] I do not know that the Panamanian Government authorized.... [changes thought], but it did not protest his removal and that will also have legal repercussions.

Regardless of whether it is Noriega or anyone else, Noriega did not respect the laws in Panama, no matter what is being said. We are now struggling to live in a democratic system, and we must fight to have the laws respected. So, instead of making these legal and political strategy mistakes, what officials and advisers must do is study the laws and the international agreements.

For instance, Panama.... [changes thought] we hear a lot about the Interamerican Agreement on Extradition signed in February of 1981 in Caracas, Venezuela. Panama has not ratified this agreement, and I know it because the Foreign Ministry recently asked the Bar Association for its opinion on the feasibility or convenience of doing so. We said it would be okay for Panama to ratify the agreement. I am sure that the United States would not ratify it because they do not participate in multinational agreements. [end recording]

Noriega's Phone Privileges Generate Concern

PA1011175190 Panama City LA PRENSA in Spanish 10 Nov 90 p 1 A

[From the "As of today" column]

[Text] The report about certain telephone conversations of Manuel Antonio Noriega being recorded has caused concern in Panama because it is feared that the charges against him could be dropped, as his counsels for the defense contend. The lawyers' petition, however, is not likely to be successful, because in the United States there are precedents for matters like these. For this reason, we should not be too concerned.

Nevertheless, the fact that Noriega can use the telephone for an unlimited time to speak to whomever he wishes in any country he chooses should indeed be cause for concern for the Panamanian Government. The fact is that during the many years he headed intelligence, Noriega established relationships with a number of drug and arms traffickers, rebel movements, terrorists of various political trends, and criminals. We should not doubt that Noriega, with the help of his followers, still controls large amounts of money in several countries. He could use this money for any purpose.

It is safe to say that these resources could be used to encourage, plan, finance, and arm groups to prevent the consolidation of a democratic government in Panama. Competent authorities should study this possibility carefully because, as folk wisdom says, an ounce of prevention is worth a pound of cure.

Columnist Reviews Endara Actions, Results

PA0911203290 Panama City EL SIGLO in Spanish 9 Nov 90 p 4

[From the "Period...and That's It" column by Jaime Ortega: "Unbelievable But True"]

[Text] We are not going to tell you a story, and we are not going to talk about a record that has been set. Today we are going to talk to you about those unbelievable but true things that happen in our country. The truth is that this column believes that the advisers of the good one [el Bueno—in reference to President Guillermo Endara] or the...has, seem to be his worst enemies. I deeply regret having to talk about this man again, but he keeps doing all these things that not only make the country tremble, but create the wrong impression internationally about our nation. We are sure that if we were to conduct a popularity poll today, the miracle, because it was a miracle that Endara was elected president, would not be repeated. I am going to provide several examples for analysis and you can decide for yourselves whether what I am saying is true or not.

First, a few months ago, Endara shouted at and scolded the attorney general in public. The attorney general, with that thick hide that covers him, does not even budge, but the president's image is damaged. After that, he tells the mayor of Panama City, Guillermo Cochez, that if he does not agree with the Endara government he should resign. Cochez laughs, says he is sorry, turns around, and goes about his business. Endara has lost round two. The discrediting of Endara continues.

To get more attention, at least that is what I believe, Endara accuses Miguel Antonio Bernal of slander. Endara creates a national and international uproar and then drops all charges and claims that nothing has happened. Another round lost and his image continues to be damaged.

After this incident the Judicial Branch confirms that some National Institute students, who had committed some misdemeanors, have been expelled. The government council ratifies the court's ruling. Endara accuses the students of staging a fake hunger strike, saying that he knows they are eating. Then, prompted by you know who [not further identified], he pardons them. Another round lost by the good one, or the...and his image continues to be damaged.

Then DRP [Directorate for the Recovery of State Property] Magistrate Eusebio Marchosky is heard claiming that there is corruption in this government; the good one suggests he resign. Marchosky reiterates his statement and ignores Endara. The image of the country and Endara continue to suffer. Another round lost.

Endara then goes on television and tells the people of Colon that he is solving their problems because he has sent them an ambulance. I guess everybody is supposed to live and work in that ambulance. The Abel Bravo [secondary school in Colon] students boo him and shout atrocities, and he answers with a smile. Another round is lost and his prestige continues to falter.

Then he goes on to accuse journalist Dagoberto Franco of slander, I think. Panama's cross [reference to Attorney General Rogelio Cruz] questions Franco and without due process sends him to jail. The news hits the international press. I could go on for another 100 rounds, but honestly, I do not feel like wasting my bird shots on buzzards. Not only is the president's image being discredited, but so is the image of our country. Who is to blame? Unbelievable but true.

Period...and That's It.

Argentina

Nation May 'Withdraw' From GATT Talks

PY0911180290 Buenos Aires TELAM in Spanish 1141 9 Nov 90

[Text] Buenos Aires, 9 Nov (TELAM)—Foreign Minister Domingo Cavallo has confirmed that Argentina will withdraw from the Uruguay round of the GATT if Europe's proposal "does not meet the minimum acceptable requirements," adding that "we will lose interest in the round of talks if [words indistinct] concerning the reduction of subsidies."

He said, however, that our country is willing to agree to "stricter discipline" and to taking "a major step forward" in the liberalization of services and in matters dealing with investment and copyright in order to reach a satisfactory agreement.

"There are several sectors on which the position of developing countries has been restricted. Now we are willing to enforce the GATT rules and regulations to those sectors, provided the old issues are properly considered," he said.

In a report published today by AMBITO FINANCIERO, he said that a final stance on patents and copyright may be adopted upon the conclusion of the GATT multilateral negotiations.

He said that if the Uruguay round "fails" it will mean that the current tariff and trade regulations will remain in force. He did not rule out, however, that groups of nations "with some bargaining capacity" may reach agreements "outside the GATT" and work toward the adoption of free commercial system.

Menem Notes 'Pleasure' With Entel Privatization

PY0911235690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2350 GMT 8 Nov 90

[Text] Buenos Aires, 8 Nov (NA)—As of tomorrow, telephones in Argentina will be operated by the Spanish (Telefonica), Italian (Stet) [Turin Telephone Finance Co.], and French (France Telecom) state-owned enterprises as a result of the sale of Entel [National Telecommunications Enterprise], which the government has concluded after difficult negotiations. The government intends to use the Entel case as an example of the state reform and privatization policy.

The ceremony crowning the privatization process was held this evening in the White Hall of Government House. On the occasion President Carlos Menem, in an impromptu, but calm speech, said this "pioneer case" in structural changes for Argentine society has become a center of attention for the citizenry.

Menem voiced his pleasure with the successful sale and labelled it "the most important" privatization carried out under the government program, which includes highways, petroleum deposits, railway corridors, and Argentine Airlines, among others.

The operation involves some $5 billion in foreign debt notes and interest and brings hope that the private groups will handle telecommunications with an efficiency that has not been present—especially in the recent past, when losses amounted to some $1.2 billion.

The country's telecommunications will now be divided into two zones, one called Telco Norte, to be administrated by Telefonica, Citibank, and Techint, and the other Telco Sur, to be administrated by Voet, France Cable et Radio, J.P. Morgan, and Naviera Perez Company. In addition, the country will have two new groups with international experience competing in the communications field.

The buyers have been asked to make payments, amounting to $214 million, in cash at the U.S. Federal Reserve, in the name of the New York branch of the Bank of the Argentine Nation.

Telephone lines for some 230,000 Entel subscribers are currently out of order. There are great hopes that the problems of the past, such as the endless delay in repairs, will disappear.

A touch of the dramatic and some confusion was added today by U.S. Bell Atlantic Enterprise, which withdrew from Telco Norte on 4 October, but returned threatening to start legal proceedings—stating that the terms of the contract had been modified—in an attempt to obtain some of the subregions of the newly privatized enterprise.

Details of Privatization Deal

PY1011000690 Buenos Aires BUENOS AIRES HERALD in English 9 Nov 90 p 1

[Excerpts] (NA)—Argentina's telephone network is no longer in state hands. In a ceremony held last night in the Salon Blanco [White Hall] at Government House, the STET [Turin Telephone Finance Co.] and Telefonica consortia officially assumed ownership of Entel [National Telecommunications Enterprise]. [passage omitted]

Over five billion dollars in face-value foreign debt bonds will be received by the government in payment for the state firm. And the two consortia yesterday deposited the 214 million dollars in cash due as down payment, in the US Federal Reserve in the name of the New York branch of the Banco Nacion.

The transfer agreement includes the following clauses:

Telefonica, STET and France Telecom will have 90 days to hand over the entire five billion dollars worth of foreign debt bonds.

The pension fund tax levied on telephone rates will be abolished at the beginning of 1991. It has already been reduced by decree from 31.9 percent to 0.01 percent but congressional approval is necessary to eliminate it entirely.

The new operators must repay the government within 60 days for services rendered by Entel that are billed after today. This figure will be adjusted in line with inflation with an additional eight percent surcharge.

The increase in the value of the telephone rates—now at 286 australs per telephone unit—is limited to the rise in consumer prices unless the increase in the value of the dollar exceeds the rate of inflation by more than 25 percent. In this case, the rates will be adjusted according to a "combined formula," 40 percent based on the behaviour of the dollar and 60 percent on inflation.

Telephone rates are to remain exempt from any price freezes or other such measures enacted by the government.

Telefonica Argentina has committed itself to investing over a billion dollars in the southern network. But the company has warned against expecting rapid improvements in the service.

Menem Departs for Japan, PRC; Agenda Detailed

PY1011161490 Buenos Aires DYN in Spanish 1124 GMT 10 Nov 90

[Text] Buenos Aires, 10 November (DYN)—President Carlos Menem has justified his eight-day trip to the Far East, which began early this morning, by saying that "it was believed that there was a need to make this trip at some time so countries like Japan and the PRC would give us the respect Argentina deserves" and noting that the Argentine Government "has great expectations" of signing bilateral agreements.

He admitted that "there may be some truth" to the remarks that "the president spends too much time out of the country," but stressed the need to make this trip, which was originally planned to last 15 days, "in view of the prospects for Japanese investments in Argentina" and because "we are going to trade" with the PRC in various areas.

The plane taking the president to the Far East took off at 0040 this morning from Ezeiza International Airport.

Menem said at the airport that he had not suggested to the CGT-Azopardo that it call off the protest demonstration scheduled for 15 November. As for the meeting with the CGT-Azopardo and the 62 Organizations [labor group] at the Olivos presidential residence, the chief of state said that he supported statements by Economy Minister Antonio Erman Gonzalez and other officials to the effect that the unionists have been offered an opportunity to participate in the official agreement-seeking organizations.

Changing the subject, Menem said that the Bell Atlantic Company could not make any demands on the government over the fact that it was left out of the Entel [National Telecommunications Enterprise] privatization deal. Menem also said that Maria Julia Alsogaray has "45 or 60 days left" to liquidate the dissolved entity. Asked about the future of the Entel interventor, Menem replied that she will "be free, and we will then see."

Menem confirmed that the transfer of Aerolineas Argentinas will be signed on 20 November and that the Sanitary Works, the State Gas Company, and SEGBA [Greater Buenos Aires Electrical Services] will the totally or partially privatized next year.

The economy minister said at the airport that the visit to Japan will be used to initiate a line of credit from the Japanese Eximbank "for financing around $300 million worth of exports of machinery and technology from Japan to Argentine." The Argentine visitors also plan to discuss another line of credit "in the order of $400 million to set up an ammonium plant in the south."

The special flight, after a technical stopover in Lima, Peru, will arrive in Tokyo on the first leg of the trip at 2000 tomorrow.

Menem's busy agenda will begin on 12 November with a meeting with Senator Oshiro from the Okinawa Prefecture at the Imperial Hotel. He will then be at the Imperial Palace at 1300 to attend the coronation of Akihito, the son of Emperor Hirohito, who passed away early this year. Menem will later attend an imperial banquet to fete the delegations invited to the enthronement of the new emperor.

On 13 November President Menem will have a working breakfast with Japanese entrepreneurs and at 0930 he will meet with the head of the Japanese Eximbank to discuss Argentina's economic situation and the possibility of Japanese investments in Argentina. Menem will then meet with his Indian counterpart and at noon he will attend a "garden party" in the imperial gardens of Akasawa Palace. At 1900 Menem will participate in a dinner given by Japanese Prime Minister Toshiki Kaifu at the New Otani Hotel.

On 14 November the Argentine delegation will end its visit to Tokyo and begin the next leg of its trip, departing for the Chinese capital of Beijing at 0900. That afternoon in Beijing the delegation will tour the legendary Great Wall of China.

The delegation will begin its official activities at 0930 on 15 November with a welcome in front of the Great People's Palace by Chinese Government officials. At 0945 Menem will meet with his counterpart, Yang Shangkun, and then with CPC General Secretary Jiang Zemin. The members of the delegation will visit the Imperial Palace that afternoon and will later be the guests of honor at a banquet hosted Chinese President Yang Shangkun.

Finally, on 16 November the Argentine president will begin his return trip. After a technical stopover in Guam, the plane is scheduled to arrive in Buenos Aires at 0600 in the morning on 18 November.

President Menem Denies 'Massive' Dismissals

PY1211191090 Buenos Aires Domestic Service in Spanish 1500 GMT 12 Nov 90

[Excerpts] [Passage omitted] Reports on the streamlining of the administration and the dismissal of thousands of public servants are front-page news today.

President Menem today attended the solemn enthronement ceremony for Japanese Emperor Akihito at Tokyo's Imperial Palace. Menem, who arrived in Tokyo yesterday, arrived at the palace minutes before 1300. The ceremony was attended by chiefs of state and government representatives from 154 countries.

Menem also met today with his Bolivian counterpart, Jaime Paz Zamora. [passage omitted]

As we said before, the streamlining of the administration has become one of the main issues of the week in the wake of reports that have been released in the past few hours.

President Menem referred to the issue in Tokyo, pointing out that the streamlining of the central administration will not mean painful measures for public servants. Menem added that even though the number of public servants is expected to drop gradually, there will be no massive dismissals. [passage omitted]

Also on the streamlining of the administration, Menem said: We will give them a chance to continue to receive their salaries for a reasonable amount of time, and we will train them for other jobs.

The streamlining, Menem said, will be slow, gradual, and progressive, and 200,000 to 250,000 employees of the administration and state companies will be transferred to the private sector. The president, however, denied that there will be massive dismissals.

He said that the privatization of Argentine Railways will reduce the number of public servants by 45,000 or more, that the privatization of Argentine Airlines will bring about another reduction of 10,000, and that the privatization of Entel [National Telecommunications Enterprise] will reduce the number of public servants by another 45,000. Menem noted that the transformation and transfer of enterprises like SEGBA [Greater Buenos Aires Electrical Services], the State Gas Enterprise, National Sanitary Works, Somisa [Argentine Iron and Steel Joint Association], and others will be implemented later.

Menem admitted that Hidronor [North Patagonia Hydroelectric Company], the State Water and Power Enterprise, and Government Coal Deposits are also being considered for this transformation.

Details of New 'Omnibus' Decree Reported

PY1011233090 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1126 GMT 10 Nov 90

[Text] Buenos Aires, 10 Nov (NA)—The government will release a new "Omnibus" Decree by the end of November. The decree will start a profound rationalization of public administration and contemplates the privatization of scientific organizations, the elimination of national directorates, and the dismissal of 120,000 public employees.

This information was given to NOTICIAS ARGENTINAS by a reliable source in the Finance Ministry. The source said: "The dismissal of the employees will go into effect on 1 January 1991, as established by 'Omnibus' Decree 1757."

As for the teachers, the decree will dismiss those who have been on leave for a long time in an attempt to reduce the number of salaries that have to be paid for each teaching position, since in some cases there are up to four substitute teachers for each position.

Employees who will retire in two years will not be dismissed. In this way, severance pay expenses will not be increased. Teachers who currently have classes will not be dismissed either.

The plan contemplates improving administrative structures to their maximum potential by modifying relations between decision-making employees and support employees.

The source asserted that the new decree, which is still being drafted, "has not been discussed at the Economy Ministry."

The source added that the usual procedure in these cases is to prepare two or three drafts for each decision, and then chose the one that is technically more feasible and has less of a political cost.

The source explained: "The main objective is to eliminate 400 out of the 500 existing national directorates. Many of these directorates are engaged in press and protocol tasks, which are irrelevant."

The decree will also establish the transformation of decentralized scientific organizations into incorporated companies, and order the dismissal of all central administration temporary employees.

The severance pay expenses and all other expenses due to implementation of the decree will be paid with credit that is currently being requested from the World Bank.

Labor Minister Denies Report on Dismissals

PY1111222090 Buenos Aires BUENOS AIRES HERALD in English 11 Nov 90 p 15

[Excerpt] (NA-DYN)—Labour Minister Jorge Triaca yesterday said he had not heard of an alleged decree contemplating the lay-off of 120,000 civil servants.

"At no time have we anticipated a solution of that type. On the contrary, we are carrying out several plans without resorting to that extreme measure which would shock workers," said the minister.

Triaca described as "positive"the meeting between President Carlos Menem and leaders of the hardline CGT-Azopardo union grouping on Friday night, but denied attempts were made to grant the dissident labour sector official status.

The minister made it clear that the meeting was not arranged to debate the status of the CGT-Azopardo or the official CGT-San Martin, but rather to discuss "the policies implemented by the government in the economic and social fields."

"The meeting was highly positive because each one of the (labour) claims was heard, and the union leaders were told there was no discrimination between workers groups' and offered alternatives to solve the conflicts via the presidential ministries." [passage omitted]

Under Secretary on State Rationalization Program

PY1211223090 Buenos Aires Domestic Service in Spanish 1500 GMT 12 Nov 90

[Telephone interview with Economic Affairs Under Secretary Hector Domenicone by Daniel Lopez in Buenos Aires—live]

[Excerpts] [Lopez] We are in touch with Economic Affairs Under Secretary Hector Domenicone. Good afternoon, Mr. Domenicone.

[Domenicone] Good afternoon.

[Lopez] We have just been talking about President Menem's remarks on the administrative rationalization program. Can you give us any details of the program? Will it start before the end of the year?

[Domenicone] Yes, it is part of a program that we have developed with the World Bank and the Inter-American Development Bank [IDB]. It should begin at the end of this year or early next year.

[Lopez] What exactly does it involve?

[Domenicone] It is a state strengthening program. The program is called Toward a Modern State. The media has insisted on the issue of rationalization, but this aspect is not very important in the program.

[Lopez] But it affects many families.

[Domenicone] Correct. The issue is especially sensitive for people, but the overall program is broad and complex. Areas are divided according to different functions. This program affects only the public administration, not the state enterprises. [passage omitted]

[Lopez] Is the government working with the World Bank on this particular issue? Will the World Bank finance worker compensation for those who are dismissed?

[Domenicone] The World Bank cofinances the program with the IDB. The largest financing component is not for compensation but for programs for worker relocation through training and professional development. The program will seek to work with the private sector, with firms that are committed to hiring dismissed workers.

[Lopez] What areas will be affected by the rationalization program?

[Domenicone] The rationalization program will essentially affect the ratio between productive and support or complementary positions. This is why when people talk about numbers, as do some newspapers, it is all speculative. We would like to see one support worker for every three workers in productive areas. In developed countries the ratio is one to five. The larger group is made up of people who face problems and make decisions and who are supported by one other worker. In our state the ratio today is one to one. This means that there are too many people behind those who make the decisions. This slows down production considerably. [passage omitted]

[Lopez] If public workers are not offered a program of voluntary retirement, will they be offered a menu of different alternatives? Will they simply be dismissed?

[Domenicone] We are not contemplating any forced retirement program. The public administration has a system of paid leave [disponibilidad] during which workers receive their salaries, according to seniority, of course...

[Lopez] Then they would be placed on leave.

[Domenicone] They would be placed on temporary leave. During this period we will offer them a menu of options that includes relocation, retirement compensation, and training for jobs in the private sector. Our interest is not to create social conflict. There are workers who do not have any prospects for promotion. We want to offer them a chance for a better future in the private sector.

[Lopez] About the compensation: Will there be anything added to what is provided for in the law?

[Domenicone] That will depend on the numbers in each specific case. We would like to have higher-than-normal compensation levels. In some cases the state will pay the bill for relocating workers to the private sector. We want to encourage private firms to hire them. [passage omitted]

[Lopez] Mr. Domenicone, what percentage of the state deficit is made up of public employee salaries?

[Domenicone] First, the state does not have an operative deficit. Disregarding this month, when we had some small difficulties, we have not had a deficit in almost a year. In any event, the government cannot continue operating as it is today, without seeking the necessary structural reforms. Public worker salaries account for 72 percent of the state budget. With this ratio, the state does not have any possibility of investing in any other area.

[Lopez] Thank you, Mr. Domenicone.

Economy Minister Rejects Alsogaray Criticism

PY1111221490 Buenos Aires BUENOS AIRES HERALD in English 10 Nov 90 p 5

[Text] (DYN-NA)—Economy Minister Erman Gonzalez yesterday rejected criticisms of the economic programme made by Presidential Foreign Debt Adviser Alvaro Alsogaray.

"I'll answer with facts," he declared, "and the facts show that far from creating recession, this programme is producing a positive effect with increased production in many sectors."

He added "I'm accustomed to dealing with state matters in the proper circles, and not through statements to the press designed to hit the headlines."

Alvaro Alsogaray had forecast, in a report presented to President Carlos Menem, that the economic plan would generate more recession, unemployment and a slowdown in production.

In further defence, Gonzalez said that the current recession was "not a consequence of the adjustment" pushed through by the government. Instead, he said, it was "the legacy of 15 years of mismanagement."

Finally he revealed that the government was hoping to drive inflation down to five percent this month.

Spanish Official Interested in Defense Companies

PY1111015090 Buenos Aires TELAM in Spanish 1502 GMT 7 Nov 90

[Text] Buenos Aires, 7 Nov (TELAM)—During a news conference, Spanish Defense Secretary Juan de la Cruz Corcoll [name and title as received] said that in addition to achieving technological agreements within the framework of the Spanish-Argentine cooperation agreement, Spanish companies are interested in participating in the privatization of companies in the defense production sector.

Corcoll, who was with Juan Jose Basualdo, under secretary for defense production, and members of the Spanish-Argentine joint technical commission, said: "A privatization process is something that is highly complex. We would have to be informed about Argentina's priorities. But, I can assure you that to make things easier, Spain will participate in this process through its different companies."

In his statement to the press, the Spanish defense secretary explained progress on the agreements, which will be improved "to assure reciprocal industrial and technological cooperation" in some undertakings.

He reported that in January 1991, the basis for future cooperation will be established with the aim of achieving the following:

1. Modernization of 17 Argentine Air Force Mirage III planes in line with a program that has been going on in Spain for two years.

2. Establishment of the joint development of logistical support ships, with the participation of Spanish and Argentine industries, as a cooperation subject.

3. Achievement of agreements on high technology and production of military communications services in joint actions to cover similar needs and objectives.

According to Corcoll, there are other programs to be developed, including financing with an as yet unspecified amount, which depends on the undertakings to be achieved.

Corcoll said: "Undertakings carried out by two friendly countries help achieve better things with less resources, particularly when taking into account the U.S.-Soviet agreement on world disarmament achieved in Vienna."

Saudi Mission To View Weapons Demonstrations

PY1111223090 Buenos Aires BUENOS AIRES HERALD in English 10 Nov 90 p 11

[Excerpt] (NA-DYN)—A Saudi Arabian military mission will arrive in Argentina on Monday to watch demonstrations of Argentine military equipment and visit various naval shipyards, said Defence Minister Humberto Romero yesterday.

Romero did not specify that the Saudi Arabian mission's intention was to come on a military shopping trip but hinted that they might buy some military equipment.

The Saudi mission will come ostensibly for talks over the Persian Gulf crisis which will include discussions over the feasibility of sending land and air forces to join the two Argentine naval vessels in the area.

The defence minister said the aim of the visit was to show the Saudi mission "Argentine military potential," and to exchange and update information on the situation. The Saudi visit comes after Argentine military officials visited Riyadh last month. [passage omitted]

Fishing Cooperation Talks With UK Previewed

PY1211215090 Buenos Aires BUENOS AIRES HERALD in English 12 Nov 90 p 1

[Text] (DYN)—Argentine and British officials meet today and tomorrow in Madrid for talks on fishing co-operation in the South Atlantic.

Foreign Ministry officials in Buenos Aires denied that a request by the Malvinas islanders for the extension of their fishing zone to 200 miles will be on the Madrid agenda.

The Argentine delegation is made up by Malvinas and South Atlantic Director Jose Maria Ortegui, Counsellor Horacio Basave, Foreign Ministry adviser Aldo Dadone and officials from the Agriculture, Livestock and Fishing Secretariat.

The British delegation includes Greg Faulkner, Deputy Chief of Mission of the British embassy in Buenos Aires, Foreign Office Undersecretary Adrian Beamish, Foreign Office adviser David Anderson plus two fishing advisers.

Today's round of talks will be at the British Embassy in Madrid and the officials meet again tomorrow at the Argentine Embassy.

A joint statement will be released tomorrow at the end of the talks.

Foreign Ministry officials yesterday played down the importance of the round of talks. "These meetings will only set the stage for a fishing cooperation agreement later on," they said.

At the same time, the executive branch is expected to send a fishing draft law to Congress today allowing for greater flexibility in South Atlantic fishing.

The British Embassy in Buenos Aires took a positive view of the draft law indicating that "it is an important step to protect species in the area which are being depleted due to constant incursions of ships from third countries in the area," an embassy spokesman said.

Trade Agreement With Brazil Takes Effect

PY1111221090 Buenos Aires BUENOS AIRES HERALD in English 10 Nov 90 p 5

[Text] [No dateline as published] The agreement between Argentina and Brazil which eliminates quotas on freight transported overland between the two countries took effect yesterday, the Foreign Ministry announced. The agreement is designed to improve services "by removing bureaucratic obstacles," the Ministry said.

Greek Delegation Seeks To Promote Relations

PY1211123690 Buenos Aires TELAM in Spanish 1616 GMT 11 Nov 90

[Text] Mar del Plata, 10 Nov (TELAM)—Andreas Zaimis, Greek minister for Greek immigrants, has stated here that "relations between Argentina and Greece are excellent; they were established when the Greek Doctor Spyros struggled with the Argentines for independence. This is why an Argentine warship bears his name."

Following a meeting with Angel Roig, the local intendant, Zaimis stressed: "Argentine and Greek ships and naval officers are now together in the Persian Gulf."

Zaimis told Roig that his "visit to the American countries has various motives, such as initiating cultural, educational, technical, and commercial ties."

He voiced his "admiration for Argentina, for its beauty and especially the city of Mar del Plata, which is comparable to any Greek tourist resort. This is why it will be interesting to declare Mar del Plata and a similar Greek city as sister cities," he said

The Greek delegation included Kiriakos Tsounis, chairman of the Greek Organization for Standardization; Greek Ambassador to Argentina Kharalambos Korakas; Monsignor Genavius Crisovlalys, Orthodox bishop for Buenos Aires and other South American countries; Archimandrite Kirilos Kostopoulos; and Carlos Pilafsides, head of the Greek community in Mar del Plata.

REUTER Launches Communications System

PY1011010090 Buenos Aires DYN in Spanish 1652 GMT 6 Nov 90

[Text] Buenos Aires, 6 Nov (DYN)—Today the REUTER director for Latin America, Enrique Jara, announced the launching of the first international interactive communications system to be operated by a private firm for news reception and transmission via satellite, Intelsat, for all of Latin America.

Jara said the new transmission system will allow users to receive "a better quality service because it eliminates intermediate connections;" up to now transmissions had to go through several intermediate stages through Entel [National Telecommunications Enterprise] satellite stations.

REUTER now operates from its own standard F-1 satellite earth station installed in its offices at Madero Tower. The station includes a 4.57 meter parabolic antenna and electronic equipment capable of handling bidirectional traffic carrying computerized information at a speed of 256 kilobits a second.

The connection is made through the Intelsat F VI 2 satellite at a 335 degrees east geostationary equatorial orbit.

The other end is a satellite earth station of E 2 standard located at the REUTER teleport in Hayppauge, 90 km from New York.

The investment needed to mount the new transmission system was close to $1 million.

This new system will benefit Argentina, especially the media and business community, with its high quality direct communication system with the rest of the world. Clients will not pay higher fees for the service.

REUTER provides a broad variety of information services to the media and business community in 158 countries and receives reports from 160 stock and capital markets around the world.

REUTER's services are distributed through 200,000 video and teleprinter terminals. The agency also supplies information directly to subscribers' computers.

The agency has an agreement with DYN for the transmission of local information to Latin America.

Former CNEA Head Supports Nuclear Dump Idea

PY1211193090 Buenos Aires DYN in Spanish 1322 GMT 11 Nov 90

[Text] Buenos Aires, 11 Nov (DYN)—Vice Admiral Carlos Castro Madero, retired, former president of the National Atomic Energy Commission (CNEA), has reiterated his opinion in favor of building a nuclear repository, provided it is "profitable for the country." The dump will be used to store waste produced in Argentina and other countries.

Environmentalists and CNEA technicians have engaged in heated debates and exchanged reciprocal accusations in the controversy over the construction of a "nuclear dump"—as it is usually called—in the Gastre area of Chubut.

The issue has even been discussed in Congress, where a series of projects aimed at prohibiting the import of toxic and radioactive industrial waste have been proposed due to the possible risk to the health of the people.

Castro Madero said he has "absolute confidence in the security of the technology" used in this field. He noted, however, that "no human activity is 100-percent safe."

He said that the area where the preliminary studies were conducted may prove to be inappropriate "in view of a large geological fault which is active enough to necessitate the selection of another site" out of the 197 that were considered appropriate for this use.

One of the most controversial aspects of the issue has to do with a series of charges made by the ecological group "Greenpeace," which alleged that Argentine officials were involved in negotiations to import radioactive and toxic waste from a French company which would pay some $135 million for the service. Although national authorities rejected this possibility, it could happen in the future if laws prohibiting this type of transaction are not promulgated, the ecologists asserted.

Castro Madero said it would be "acceptable" to receive waste from abroad. "Such a possibility should not be rejected without a detailed analysis of its advantages and disadvantages," the former official said. He added: "If we can store our own radioactive waste, we can do the same with waste received from abroad."

Castro Madero based his remarks on the scant supply of appropriate nuclear waste dumps and the huge demand that exists in the main countries of the developed world, which have not resolved the problem.

Congressmen are divided over the advantages of constructing a dump site, but they all agree that Argentina should not receive waste from abroad.

At the same time, ecologists are inviting officials and congressmen to think about the developed nations' lack of interest in constructing waste dumps in their own territory, despite the fact that they have longer nuclear histories. This problem is like a boomerang because "now they do not know what to do with their waste."

Some nations are apparently ready to receive this nuclear waste in exchange for the cancellation of some of their foreign debt.

The nuclear waste problem has still not been entirely solved. Some waste is buried in temporary underground dumps, and some countries dump theirs into very deep areas of the ocean. There are also other countries, Sweden for example, where the inhabitants have decided through a plebiscite that existing nuclear plants must be gradually dismantled and the construction of planned facilities canceled.

Interior Minister Downplays 'Social Unrest'

PY1211215690 Buenos Aires BUENOS AIRES HERALD in English 12 Nov 90 p 7

[Text] (NA-DYN)—Interior Minister Julio Mera Figueroa yesterday ruled out the possibility of an outbreak of social unrest because "there is a crisis in the the state, not the economy in general." Along these lines, the minister promoted the reform of social legislation handed down by the Justicialist Party in view of the fact that "our country is impoverished." In statements to Cronica daily, the minister explained that traditional Peronist social legislation was made "for a country with growth, a rich power, but now we find a nation that is impoverished, in a crisis." Social laws must therefore "be modified until we recover that historic condition," argued Mera Figueroa. He also insisted that "there's no subversion" aimed at overthrowing the government but rather "acts of terrorism aimed only at publicity and spreading fear among the population." According to the minister, this vandalism is spearheaded by "the mentally deranged."

Bolivia

Support for Bush's Americas Initiative Stressed

PY0911141690 La Paz PRESENCIA in Spanish 4 Nov 90 4

[Text] Industry and Commerce Minister Guido Cespedes has said that Bolivia is the only Latin American country to have immediately replied to U.S. President Bush's Americas Initiative through specific steps.

Bush's initiative seeks to open U.S. markets for regional products and to solve the foreign debt and drug trafficking problems.

Cespedes said that just four months after Bolivia signed an investment and trade agreement with the United States, it attended the first meeting of the Investment and Commerce Council in Washington. "This is record time as far as international relations are concerned," Cespedes added.

He said that just two months later the suggestions made at the meeting are already being implemented in the country. He said that the Foreign Ministry has taken every possible step to make feasible the signing of the investment treaty with the United States.

He said that important offices are also being created. One will seek to attract foreign investments while the others will engage in matters related to Bolivian international commitments.

These international commitments include the Americas Initiative, all the operational phases of the Bolivian presence in the GATT, and the operative system of Bush's commercial initiative for the Andean Group.

Regarding the foreign debt, Cespedes said that Bolivia could be the first Latin American country to advantageously solve this problem.

He added that all these situations result from the foreign policy promoted by the Bolivian Government.

Andollo on Armed Forces Role, Cuban Situation

PY1211154490 La Paz PRESENCIA in Spanish 4 Nov 90 p 7

[Text] "The Cuban Revolutionary Armed Forces are political forces because they are of the people. The Cuban people voted for socialism, and we are the Cuban people. For this reason we defend socialism."

Cuban Brigadier General Leonardo Andollo Valdez made these remarks at a lecture for political science students at the Greater San Andres University (UMSA), thus defining the role of the Cuban Armed Forces in the Cuban revolutionary process.

He said: "The current Cuban situation is characterized by the effort that the people, government, and Communist Party are making to solve the problems stemming from the situation in East Europe, its economic influence, and the improvement and continuous development of that society."

"We are creating all of the necessary conditions to resist, to survive, and to continue developing to achieve total economic independence," the Cuban general said, expressing assurances about the success of their efforts. When asked about the effect of the new Cuban-Soviet relations, he said: "Those relations are currently normal because the Soviet Government maintains a position consistent with aid and support for Cuba."

He added that they do not know what will happen in the future as a result of the current Soviet situation, but "if these relations cannot be maintained at the same level, the Cuban economy is in a position to resist, to overcome this transitional stage, and to continue developing both in the energy sector and in the field of general development."

As for the impact of the Persian Gulf situation on Cuba, the Cuban general said: "The impact is the same as that on the Third World—dramatic. For this reason the Cuban position is to prevent war because it would have tragic, dramatic effects on the Third World as a whole."

"War in the Persian Gulf will not be prevented by military measures nor by the great concentration of troops or the total blockade," he said.

When asked about the main achievements of the Cuban revolution, he said the major achievement is the feeling of being a nation and autonomous national dignity. "As of 1 January 1959, Cuba stopped being a country where the U.S. proconsuls gave the orders."

He said: "Cuba has managed to dignify man and has destroyed all of the types of discrimination that can exist in a society." He also mentioned the social achievements that can be clearly seen in the health, education, and social security sectors.

"However, many want to say that the revolution's only achievements are those aspects, without taking into consideration the important economic progress and development achieved by Cuba," he concluded.

Military on 'Realistic' Stand in Antidrug Fight

PY0911112690 La Paz PRESENCIA in Spanish 3 Nov 90 p 1

[Excerpts] Following a proposal by former Peruvian President General Francisco Morales Bermudez, Peruvian and Bolivian military men will ask the presidents of the Andean countries at their meeting in La Paz in late November to assume a pragmatic and realistic position on the struggle against drug trafficking and terrorism.

The problems caused by these two phenomena in the five nations that are signatories of the Cartagena Consensus were discussed during a special seminar entitled "Regional Security of Latin America" that was held by high-ranking Bolivian and Peruvian military chiefs. They concluded that these phenomena are "factors for antidemocratic disturbance." [passage omitted]

Highlighting the influence in Bolivia and Peru of these two phenomena, Morales said they are dissimilar and consequently the methods that must be adopted in the struggle against these phenomena must reflect this dissimilarity.

Morales said: "In Bolivia the scourge is based on drug processing and trafficking. Therefore, political, economic, and social actions are valid components in this struggle, while the control and interdiction is basically carried out by the police forces."

Coca Producers Report Militarization of Struggle

PY1011230090 La Paz PRESENCIA in Spanish 4 Nov 90 p 8

[Excerpts] Over the past week, coca producers from Chapare have reported that executive branch officials and the U.S. diplomatic mission "are taking gigantic steps to establish administrative measures" that will lead to "militarization" of the struggle against drug trafficking. [passage omitted]

Evo Morales, executive secretary for the Federation of Cochabamba Tropical Region Peasant Workers, has reported that he has information— "based on documents"—with which he can demonstrate to the country "that the government is taking gigantic steps to militarize the antidrug struggle and implement the contents of Annex Three of the agreements signed by Presidents Paz Zamora and George Bush."

Morales added that none of the recent 69 alternative development projects that the government will submit to the Paris Club for financial support are aimed at zones were coca is produced.

To reject those "government positions," the leaders of the coca producers called for a national mobilization of all peasants on 15 November.

Labor Leader on 'U.S. Pressure' in Coca Areas

PY1011181490 La Paz Television Boliviana Network in Spanish 0030 GMT 10 Nov 90

[Text] Coca growers have been meeting over the past few hours to study several issues of concern. Julio Arce, leader of the Bolivian Labor Confederation, and members of the Coca Committee have reported that there seems to be U.S. pressure for several activities in the coca-growing regions.

[Begin Arce recording] There seems to be a plan under U.S. pressure to build military garrisons in the coca-growing regions, especially in Chapare, costing about $2 million. I would also like to report that the 69 projects drawn up to seek financing may be in violation of Decree 22270, and this is why the coca growers are rejecting them. [end recording]

Government Defends Economic Performance

PY1111235090 La Paz PRESENCIA in Spanish 2 Nov 90 p 4

[Text] Despite the permanent increase in food prices on the local market, the economy is still stable and under control. The government will maintain strict control to guarantee a proper balance between the need to keep inflation low and the desire to encourage production.

This statement is included in a document released by Minister of the Presidency Gustavo Fernandez on 1 November. The document refers to several editorials on the increase in inflation and salary policy.

The government explains in the document that the October price increases were caused by external factors, such as processes of economic adjustment in neighboring countries—which have pushed up local market prices in those countries—and events in the Persian Gulf. This trend, however, has lessened in the last week of October, the document says.

The document adds: "Despite the fact that the inflation rate for 1990 will surpass the 12-percent target—this target was established before the appearance of the external factors caused by the Persian Gulf crisis and the adjustment policies of neighboring countries—the rate will be low by international standards and considerably lower than the inflation rates in other countries of the continent."

The document adds that there has been remarkable growth in investment in the public and private sectors and in the area of production—both for the export sector and the domestic market—all of which has increased the number of jobs in the productive sector.

The document stresses that the country is in an excellent fiscal and monetary situation, that the public deficit is permanently dropping, and that international reserves are at a comfortable level.

Concerning salary policy, the document states that it will not be modified this year. The 1991 general budget will establish a salary increase.

Supreme Court, Executive Branch Clash Over Laws

PY1211003090 La Paz EL DIARIO in Spanish 1 Nov 90 p 1

[Excerpts] Dr. Edgar Oblitas Fernandez, chief of the Supreme Court, has rejected and declared illegal the "conflict of jurisdiction" [conflicto de competencia] case presented by the executive branch, while several labor union leaders and members of the National Association of Lawyers have deemed the government's intention to disqualify the Supreme Court as "antidemocratic."

The official position was clearly established by Senate Chairman Gonzalo Valda, who denied that the government is trying to hinder the debates on the unconstitutionality of the laws on hydrocarbons, mining, and investment by declaring a "conflict of jurisdiction" with the Supreme Court. [passage omitted]

According to experts, the Supreme Court will be disqualified from filing other petitions until the conflict of jurisdiction is resolved. This has been deemed a "subterfuge" by the executive branch to prevent the Supreme Court from considering the abrogation and unconstitutionality petitions filed by opposition parties and labor union leaders over the laws on hydrocarbons, mining, and investment that were recently approved by Congress.

A Supreme Court plenum has unanimously declared the conflict of jurisdiction presented by the government as illegal and inapplicable. The court has also decided to postpone indefinitely the judicial branch holiday that was to start on 5 November. [passage omitted]

Opposing those who rejected the government's intention to disqualify the Supreme Court, the ruling ADN-MIR [Nationalist Democratic Action-Movement of the Revolutionary Left] coalition supports the decision and asserts that the Supreme Court is not qualified to deny the legislative branch its capacity to sanction any law.

World Bank Council Grants $900-Million Loan

PY1011175690 La Paz Television Boliviana Network in Spanish 0030 GMT 10 Nov 90

[Excerpt] The Consultative Council of the World Bank has granted Bolivia a $900-million loan for road construction, a pipeline to carry natural gas to Brazil, primary education, agriculture, and ecology.

(Ping Chen Lu), director of the World Bank's Latin American and Caribbean Division, reported in Paris that Bolivia will get a loan of $900 million in 1991 through the World Bank in recognition of its good economic performance. According to this report, the loan was granted by the World Bank Consultative Council. President Jaime Paz Zamora emphasized the importance of this loan in a brief conversation with reporters.

[Begin Paz recording] This represents the international community's recognition of Bolivia's situation as a stable country in the continent in the economic, social, and political areas. This is how I see it. It is not only recognition of the government's effort but also of the daily sacrifice and work of the Bolivian people. I believe this is a great victory because practically all the programs submitted to the World Bank were approved. They were approved because they are good, well-planned programs and also because they have the support of an economically solvent country. I believe this was the key factor in their being approved. [passage omitted] [end recording]

Inflation Rate for October 3.45 Percent

PY0911122690 La Paz PRESENCIA in Spanish 2 Nov 90 p 4

[Summary] The National Institute of Statistics has reported that the inflation rate totaled 3.45 percent in October. An accumulated figure of 12.28 percent is also reported for the first 10 months of 1990, and 16.45 percent in the period November 1989-October 1990.

Brazil

Debt Negotiator Returns From U.S. With Offer

PY0911171690 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 9 Nov 90

[Text] Ambassador Jorio Dauster, the Brazilian foreign debt negotiator, returned to Brazil today. He brought with him a counterproposal by the creditor banks. They want Brazil to pay $3.5 billion in overdue interest to March 1991. Of this total, $2 billion will be paid this year.

In the proposal presented to its creditors, Brazil did not foresee paying any overdue interest this year.

Next Tuesday 13 November, Ambassador Jorio Dauster will return to New York with the Brazilian position on the banks' counterproposal.

Disclosure of Debt Proposal Awaits Collor Return

PY1211180490 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 12 Nov 90

[Excerpt] Brazil's new proposal on paying the overdue interest on the foreign debt will only be presented to the creditor banks after President Fernando Collor returns from Japan. The proposal was discussed in Brasilia today during a meeting of the economic team.

The first one to arrive for the meeting was Ambassador Jorio Dauster, the Brazilian foreign debt negotiator. Like Dauster, Economic Policy Secretary Antonio Kandir and Central Bank President Ibrahim Eris did not want to disclose anything about the meeting because nothing was defined. When the economy minister arrived, however, she did not rule out the possibility of making installment payments on the interest using Brazil's international reserves. [passage omitted]

Poll Shows Fading Support for Stabilization Plan

PY1211220690 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Nov 90 Economic Section p 1

[Text] The Collor Plan is going through a difficult period marked by an increasing inflation rate despite the tightest money supply in the past few years. The difficulties, which the main members of the government's economic team have admitted to, are starting to be felt on an everyday basis. According to 51 percent of the people interviewed by InformEstado in Sao Paulo, the Brazilian citizen's situation has became worse or much worse since the Collor Plan was implemented. Only 28 percent believe life is better or much better under the plan and 21 percent see no difference.

The poll results show that the peoples' expectations have dropped since the initial implementation of the stabilization program. Three days after the Collor Plan was implemented in March, still shocked by the decision to block investments—and despite that decision—the peoples support for the plan was surprising. At that time 87 percent of Sao Paulo's residents believed that the situation would get better or much better. Another poll conducted by InformEstado in May reflected a growing pessimism over the country's economic situation: Only 53 percent believed the situation would get better or much better. Most people, however, still supported the Collor Plan, but this is no longer the case.

The loss of support for the government's program has undermined the popularity of Minister Zelia Cardoso de Mello and President Fernando Collor. In March, 91 percent of the people fully or partially believed in the minister and only nine percent did not. Now only 49 percent of the people fully or partially believe in Zelia. Most people—51 percent—do not believe in her. A majority, however, still believe in President Collor. In March, 93 percent of the people fully or partially believed in the president, but now only 59 percent do.

When Minister Cardoso was informed about the loss of support for the plan, she commented: "Persistent inflation is undoubtedly not very positive." She added: The reduction of inflation might take longer than expected, but Brazilian society must learn to live with this.

Government Rules Out Salary Bonus for Workers

PY1311010690 Brasilia Domestic Service in Portuguese 2100 GMT 12 Nov 90

[Text] According to Economy Minister Zelia Cardoso de Mello, the government will not grant a salary bonus for workers.

The decision was made on 9 November at a meeting at the Justice Ministry among Justice Minister Jarbas Passarinho, Economy Ministry Executive Secretary Joao Maia, and party leaders who support the government.

Minister Cardoso de Mello said that an evaluation of the economic situation showed that a bonus was not justified. According to statistics, she pointed out, most salaries were readjusted above the inflation rate, which is an indication that salaries have not lost their purchasing power. She also said the government will not change the text of the provisional measures on salary policy. She reaffirmed that she does not accept salary readjustments.

Creditors Make Counterproposal on Interest

PY1111002290 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Nov 90 Economic Section p 6

[Report by Paulo Sotero]

[Excerpt] New York—The creditor banks want to be paid more than $2.5 billion, which is equivalent to one-third of the overdue interest. If Brazil accepts this counterproposal, which was made on 6 November, it will have to resume interest payments that fall due up to the date a new agreement is signed. In exchange, the creditors offered a deal for capitalization of the unpaid balance of the overdue interest. According to a source close to the negotiations, the capitalization instrument would be a five-year maturity bond paying market rates that would be issued by the Brazilian Government and bought by the creditor banks.

Asked about possible advances in debt negotiations after the bankers' counterproposal yesterday, Jorio Dauster, the Brazilian debt negotiator, tried to give an optimistic impression of the talks. "Prospects for advances have existed since the first day," he affirmed as he walked to a meeting where he would give a preliminary answer to the creditors. He added: "The road only leads one way—up. It will not be changed by what was heard yesterday, nor will it be changed by what may be said today."

The offer by the creditor banks makes it clear that, for them, the overdue interest issue should have priority and should not be mixed with the medium- and long-term debt issue. If this offer is accepted by the Brazilian Government, the acceptance would mark an important shift in Brazil's position, which does not contemplate any payment of overdue interest. In its debt negotiation proposal, Brazil asked the creditor banks to refinance all arrears through a bridge loan that would be included in the debt to be restructured.

However, the offer for capitalization of nearly two-thirds of the overdue interest comes close to the idea of converting the debt into bonds, which is the basis of the Brazilian proposal. [passage omitted]

Deregulation Package Effects Funds, Telephones

PY1011221090 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 8 Nov 90

[Text] A new deregulation package comprising 13 resolutions and four decrees was released today in Brasilia. These measures are designed to make life easier for Brazilians.

One of the primary measures is aimed at simplifying the procedure for workers to withdraw unemployment compensation funds. Earlier, nearly 1.5 million dismissed workers had to go to bank offices throughout the country every month and work through a heavy bureaucracy to withdraw unemployment funds. This paperwork will now no longer be required. All a worker has to do now is submit his job identification card or a document proving that his labor contract has been rescinded.

The package also includes other measures: Payments to and withdrawals from the Fund for Social Assistance and Welfare for the Rural Worker can now be made through local post offices. State governments can build hospitals and child care centers without authorization from the federal government.

In the aviation sector, four airline companies that until today had been exploiting commercial routes in Brazil will no longer have exclusive rights to do so. Another measure eliminates the monopoly in printing telephone directories. Private companies may now install telephone lines; they may also manufacture and sell telephone receivers.

Another measure will also benefit those who do not have a telephone at home and use public telephone booths. From now on, any investment in the area of telephone communications will have to earmark five percent of the money for the installation of public telephone booths until there is an average of one booth per 400 people. Thus, no one will have to walk more than 500 meters to make a telephone call.

From now on, there will be no difference in rates for commercial and home telephone lines. The maximum price for installation of a telephone line was also established: $3,750 at the dollar commercial exchange rate; that is, 428,000 cruzeiros at today's rate.

Commission Visits Army Nuclear Laboratory Complex

PY1011230490 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 9 Nov 90

[Text] The last secret in the parallel nuclear program has been disclosed. A commission of national deputies and scientists has visited the Army's nuclear laboratories in Rio de Janeiro.

The Army's nuclear installation sits on a 25-square-kilometer area in the Guaratiba lowlands, in the western part of Rio de Janeiro. Here, the Army built a complex of laboratories that were considered secret until today. The Army has been conducting nuclear research here since 1986, and there are currently about 140 people, both civilian and military experts, working at the installation.

The most advanced piece of equipment is an atomic pile, a sort of pre-reactor that does not produce plutonium. The Army has ready a project to build an experimental irradiation reactor, REI. It can be built in three years at a cost of $35 million. This reactor can produce plutonium, the material for atomic bombs.

[Begin recording] [Unidentified reporter] Is there a possibility of building an atomic bomb?

[Unidentified official] Of course there is that possibility, but the intention to manufacture an atomic bomb does not exist. It is obvious that knowledge can be gained through research. Now, your question specifically refers to the bomb, and my answer is that there is no intention whatsoever to manufacture it. [end recording]

For the first time today, these laboratories were opened in order to allow deputies on the Congressional Investigative Commission [CPI] to inspect them. This commission is probing Brazil's parallel nuclear program.

[Begin recording] [Reporter] The deputies and the scientists accompanying this commission asked the military personnel more than 20 questions about the objectives of the Army's nuclear program.

[Deputy Anna Maria Rattes, CPI president] Our presence here, with this CPI, is intended to enforce the Constitution. I have absolute certainty that today, the Brazilian Government, the Armed Forces, and Congress have the political will to abide by the nation's Constitution. [end recording]

Congress To Legalize Parallel Nuclear Program

PY0911153890 Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Nov 90 p A15

[Report by Eumano Silva from Brasilia]

[Text] The Congressional Investigative Commission (CPI), which is probing the parallel nuclear energy program, will end its deliberations with the conclusion that the parallel nuclear program should cease to be parallel. Deputy Anna Maria Rattes (PSDB-RJ) [Brazilian Democratic Socialist Party of Rio de Janeiro], the CPI president, has said that the commission's final report will propose that the parallel program be institutionalized, possibly through a legislative decree. A legislative decree is a legislation document that is dictated by the Chamber of Deputies and the Senate, and is not dependent upon the presidential sanction.

The willingness of the CPI to institutionalize the parallel nuclear program became obvious during the session in which the director of the Navy Aramar Experimental Complex, Admiral Othon Luiz Pinheiro da Silva, was questioned on 31 October. Deputy Vivaldo Barbosa (PDT-RJ) [Labor Democratic Party of Rio de Janeiro] motioned that the CPI submit to a joint congressional session a proposal "to authorize" the operation of the Aramar complex. Barbosa said: "It was rewarding for the PDT to witness the nationalist climate prevailing in Aramar."

Deputy Anna Maria Rattes then affirmed: "We will institutionalize the parallel program; it will no longer be a parallel project."

The atmosphere of fellowship was summed up by Adm. Pinheiro da Silva's remark: "This is one of those happy moments in life, and my colleagues at Aramar will be proud of what happened here." This remark should be understood in the light of the criticisms that have been leveled at the parallel nuclear program since 1979 when it was created to develop projects toward the manufacture of an atomic bomb.

The parallel program's official name is the Autonomous Nuclear Technology Program (PATN). It was dubbed "parallel" because the PATN was not conducted under the nuclear agreement signed between Brazil and the FRG in 1974. One of better known activities of the PATN refers to the 350-meter deep hole dug in the Serra do Cachimbo early in the 1980's, which could have been used to test an atomic bomb.

FOLHA disclosed the existence of the hole in 1986. On 18 September 1990 President Collor travelled to Serra do Cachimbo to symbolically close the hole, which, according to the Strategic Affairs Secretariat (SAE), has never been used. This symbolic ceremony served as a backdrop to the pacifist speech delivered by President Collor de Mello before the UN General Assembly in late September.

The congratulations of the CPI to Adm. Pinheiro da Silva mostly referred to the mastery of uranium enrichment technology achieved in Aramar. Today, Brazil is technologically capable of manufacturing 100 MW nuclear reactors to supply electricity to cities of 200,000 people. The risk posed by the capability to enrich uranium lies in the fact that enriched uranium can be used to manufacture atomic bombs.

According to Adm. Pinheiro da Silva, with the ability to enrich uranium by the ultra-centrifuge method, Brazil has technologically moved beyond what could have been attained under the nuclear treaty with the FRG. The admiral reasserted that this technological jump justifies the creation of the PATN or parallel nuclear program. He also said: "Even though we have nuclear plants operating now, we cannot stop our research."

The capability to enrich uranium can also lead to the construction of a Brazilian atomic submarine. This possibility drew criticism from Deputy Jose Genoino (Workers Party of Sao Paulo) who was present at the CPI session. Later, Deputy Genoino said: "The Constitution only forbids the use of nuclear energy for non-peaceful purposes, it does not forbid it for military purposes. However, once built, a military nuclear submarine can be used for non- peaceful purposes at any time."

President Creates Position of Four-Star General

PY1011135590 Rio de Janeiro O GLOBO in Portuguese 8 Nov 90 p 5

[Text] The president has created the new position of four-star general in the Army. The man in that position will head the Ground Operations Command that was created last month and be responsible for the operational use of troops. The Army General Staff was in charge of this task before the creation of the new command.

The new commander will be directly subordinate to the Army Ministry and be responsible for analyzing the use of Army troops, including deployments to guarantee elections in states and municipalitics at the request of the electoral court. The Navy and Air Force already have operations commands.

The new general will be chosen by the president this month from a list of two names which the Army High Command will submit to Planalto Palace. Another list with three names will be submitted to the president to fill the position of a retiring general.

$12-Billion Deal With Iran Under Negotiation

PY1011172690 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 8 Nov 90

[Text] Brazil may conclude agreements with Iran totaling $12 billion in the area of exported commodities and services. Brazilian businessmen met today in Brasilia with representatives of the Brazilian and Iranian Governments.

The Brazilian businessmen heard all about the Iranian Government's project to rebuild the country after the war with Iraq. Iran primarily needs to repair roads and railroads and build new factories and hydroelectric plants.

The Iranian reconstruction plan envisions investments of about $120 billion—an amount equivalent to the Brazilian foreign debt—over the next five years. Of this amount, at least $12 billion could go to Brazil, depending on the agreements that will be signed next week.

Furthermore, Brazil wants to double its imports of Iranian oil, increasing from 100,000 to 200,000 barrels daily.

A Brazilian delegation led by Infrastructure Minister Ozires Silva will go to Iran next week to discuss the signing of the agreements with Iranian Government officials.

PCB Leader Says Leftists Must 'Rethink' Course

PY1211011090 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 7 Nov 90

[Report by Alexandre Garcia]

[Text] Socialism is dead; long live socialism. This is the idea conveyed today at the Chamber of Deputies by Roberto Freire, one of the main leaders of the Brazilian Communist Party [PCB]. He believes Brazilian leftist parties are at a crossroads today and need to recognize that socialism—as it has been viewed in the past—is dead, and that new ways must be discovered.

[Begin recording] [Freire] Marxism became an official dogma. In the face of this process of exhaustion and crisis, Communists and social democrats are facing the challenge of rethinking their course.

[Deputy Maurilio Ferreira Leon of the Brazilian Democratic Movement Party, PMDB] It is thus necessary to rethink politics as a whole. In so doing, one must also rethink socialism and put dogmas away. Adhering to dogmas is like being in prison.

[Deputy Roberto Cardoso Alves, PMDB-Sao Paulo] I got tired of saying that communism, socialism, autarkic nationalism, and statism were obsolete and that one must now follow new directions.

[Deputy Jose Serra, Brazilian Social Democratic Party] I am certain that this will help the left renew its thinking, especially concerning state intervention in the economy, the existence of state-owned companies and planned economies, and so forth. [end recording]

The PCB is 68 years old, most of which was spent underground. During the first open FCB congress in 1987, the party posted this plaque here. It will only last four years because the PCB will hold its 19th congress next May and this plaque will be discarded along with the dogmas of the old Communist Party. A modern socialist party should arise in its place.

IBGE Releases October Inflation Figures

PY1011150090 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 9 Nov 90

[Summary] The Brazilian Institute of Geography and Statistics has reported that the October inflation rate as measured by the national consumer price index was 14.43 percent. This figure, which was reported today, is nearly the same as September's. The city of Sao Paulo had the country's highest inflation rate at 16.1 percent; Rio de Janeiro's 13.4-percent rate was below the national average.

Infrastructure Ministry Official Assumes Post

PY0911122290 Rio de Janeiro O GLOBO in Portuguese 30 Oct 90 p 28

[Summary] Brasilia—Sima de Freitas Medeiros yesterday assumed the post of executive secretary of the Infrastructure Ministry.

Chile

Air Force Communique on Promotions, Retirements

PY1011004690 Santiago Domestic Service in Spanish 2000 GMT 9 Nov 90

[Text] Today the Chilean Air Force released an official communique on promotions and retirements that were approved by President Patricio Aylwin.

The official communique says the following colonels have been promoted to brigadier general: Maximo Venegas Fuentes, Carlos Infante, Raul Tapia, and Leonardo Prado Alvarez. The following generals have retired: Caupolican Boisset, Enrique Fernandez, (Lautaro Linken), Antonio Baghetto, and Carlos Ottone.

Therefore, the Air Force Command is made up of General Fernando Matthei Aubel, the Air Force commander, and General Ramon Vega Hidalgo, chief of staff.

Comptrollers Office Rejects Promotion Proposals

PY1211183690 Madrid EFE in Spanish 0048 GMT 11 Nov 90

[Text] Santiago, 10 Nov (EFE)—The Republic's General Comptrollers Office has issued a resolution on promotions and retirements for Army officers that implicitly rejects two promotion proposals presented by Army Commander in Chief Augusto Pinochet by not issuing decrees on the promotions.

In the resolution, the Comptrollers Office approves the retirement of six generals and the promotion of four others. The names of Generals Carlos Parera and Ramon Castro—whose promotions were vetoed by President Patricio Aylwin using his constitutional powers, which General Pinochet questioned—do not appear in the decree.

Commenting on the Comptrollers Office resolution, which Gen. Pinochet apparently appealed, Defense Minister Patricio Rojas said that the resolution proves "the commander in chief proposes and the president disposes."

Pinochet presented the list of Army promotions and retirements to Aylwin, as established by the Constitution, some weeks ago.

The defense minister, who recalled that the Constitution and the laws of the Armed Forces were promulgated by the previous administration, said: "We have established a legal precedent."

"This administration is enforcing and demanding respect for rules which, although not drafted during its time in office, must be complied with by all," Minister Rojas said.

The Army command did not comment on the Comptrollers Office resolution but, according to press rumors, Gen. Pinochet will accept the resolution and agree not to promote the officers to a higher rank, although maintaining them in their current positions. According to military tradition, if an officer's promotion is vetoed by the president of the Republic, this officer must retire.

Asked about that, Minister Rojas said that apparently the Constitution does not establish the retirement of the officer. He added, however, that the Comptrollers Office must give its opinion on the matter.

It seems that the Comptrollers Office resolution in favor of the executive branch will put an end to the "impasse" between Gen. Pinochet and President Aylwin over the issue, but it again shows that relations between the two are very delicate.

Interpol Searching for Suspect in La Cutufa Case

PY1011125090 Santiago Television Nacional de Chile Network in Spanish 1700 GMT 9 Nov 90

[Text] Investigative Police Deputy Director (Mario Mengozzi) has said that Interpol has been asked to search for Patricio Castro in the Americas. Castro has been charged with being involved in the La Cutufa affair.

[Begin recording] [(Mengozzi)] We have asked Interpol, which is an international police organization, to search for him.

[Reporter] Does anybody know where he is?

[(Mengozzi)] Well, as you all know, he was in Spain. The public knows this. We know that he left Spain. Now we are in contact with all Interpol units throughout the world. We are, however, concentrating our efforts in the Americas. [end recording]

(Mengozzi) also referred to the murder of Army Major Manuel Flores, which occurred in Pudahuel.

[Begin recording] [(Mengozzi)] Due to the modus operandi we believe that the murder has nothing to with either politics or revenge. It is simply a criminal action that happened to have been staged in that manner and in that place.

[Reporter] Does the death of Maj. Flores have anything to do with the La Cutufa affair?

[(Mengozzi)] Nothing at all. [end recording]

Court Appoints Judge To Investigate La Cutufa

PY1011235490 Santiago Domestic Service in Spanish 1000 GMT 10 Nov 90

[Text] The Supreme Court Plenum has unanimously appointed Judge Marcos Libedinsky to investigate, as special judge of the 12th Criminal Court of Santiago, charges against the clandestine financing organization known as La Cutufa. Libedinsky was chosen from among the 12 judges attending the court plenum.

The State Defense Council has requested the appointment of a special judge in view of public alarm caused by the alleged existence of the secret organization and its possible connection with various recent murders in Santiago.

The Supreme Court Plenum also received a similar petition from lawyers Victor Baraona and Alejandro Acuna, who represent two people who were reportedly harmed financially by La Cutufa.

The recently appointed judge must base his investigation on several charges of the fraudulent withdrawal of checks by retired Captains Gaston Ramos Cid and Patricio Castro Munoz.

Minister Denies 'Mudslinging' Against Army

PY1211160290 Santiago Domestic Service in Spanish 1000 GMT 12 Nov 90

[Text] Interior Minister Enrique Krauss has emphasized that the government does not intend to involve the Chilean Army with the people involved in the La Cutufa case.

At La Moneda Palace, the Investigative Police deputy director met with Interior Under Secretary Belisario Velasco.

Asked if he feared for the safety of Patricio Castro [former Army captain charged with involvement in the illegal finance organization La Cutufa], Krauss said:

[Begin recording] [Krauss] No. He will enjoy the guarantees and security that are proper for anyone who has been accused in a significant trial like the one he appears to be involved in; that is, the trial involving this illegal financial company, which has caused so much excitement. Of course, the usual precautions have been taken in this case, but just the usual ones....

[Unidentified reporter, interrupting] Is the government satisfied with the development of this trial and the investigation?

[Krauss] The trial and investigation are a procedure that has just begun. Obviously, we cannot pass judgment. And it is not our job to do so, either. We are willing to cooperate and take all actions and implement all procedures to effectively clarify these events which are so significant—not only as a news report, but also from the viewpoint of social concern.

[Reporter] In your opinion, is there a mudslinging campaign going on against the Army in this case?

[Krauss] Absolutely not. Unfortunately, the events involve people who have been members of that armed institution, but in no way have we tried to.... [Krauss changes thought] On the contrary, I believe that the care, consideration, and prudence with which we have handled this matter demonstrate our respectful attitude because we are not mixing the situation of an institution with probable situations that could involve some people. [end recording]

In conclusion, the interior minister noted that this case involves a criminal action without any political connotations thus far, but it could eventually result in consequences with respect to some institutions.

Soviet Mission on Joint Venture Possibilities

PY1311013090 Santiago Radio Cooperativa Network in Spanish 2200 GMT 12 Nov 90

[Text] Georgiy Tarazevich, member of the USSR Supreme Soviet Presidium, has said that Chile and the Soviet Union are studying the possibility of creating joint ventures in the country. Tarazevich made these remarks after meeting with Interior Minister Enrique Krauss at La Moneda Palace.

The Presidium members [as heard] met with Economy Minister Carlos Ominami. Tarazevich said: We discussed the situation of the Chilean economy and increasing trade between our countries. The Soviet official also noted that the possibility of creating joint ventures in our territory, using joint capital, is being studied. We are developing this policy everywhere in the world, the parliamentarian said, after admitting the difficulties the Soviet economy is going through. Tarazevich expressed the USSR's desire to cooperate with Chile and stressed the importance of the recently approved law for investment protection, which will open up new possibilities for Soviet trade in world markets.

Italy To Grant $200 Million in Credits, Donations

PY1211144490 Madrid EFE in Spanish 1603 GMT 10 Nov 90

[Text] Santiago de Chile, 10 Nov (EFE)—Chilean Planning Minister Sergio Molina and Italian Deputy Foreign Minister Susana Agnelli [name and title as received] have signed an agreement in Santiago whereby the Italian Government will grant Chile credits and donations totalling $200 million over the next three years.

This agreement is part of the "Basic Agreement on Economic, Industrial, Scientific, and Cultural Cooperation" that Chilean Foreign Minister Enrique Silva Cimma and Agnelli signed on 8 November in Santiago.

According to Molina, out of the $200 million, $50 million, which is the regular Italian aid scheduled for next year, will be invested in housing, health, and environmental programs.

Molina said that out of the remaining $150 million, which is the special aid for the 1991-1993 period, $120 million will be a soft loan and $30 million will be a donation in kind.

The credits will be aimed at implementing programs for rural development, professional training, and environmental protection and credit projects for small and medium enterprises.

The "basic cooperation agreement" reveals the interest of both parties in "increasing investments, goods and services exchange, industrial activity, and technology transfer."

Last year, the trade exchange between Chile and Italy totalled $563.1 million, with a favorable balance of $256.7 million for Chile.

Italy ranks seventh country among the countries with which Chile trades, and fourth among European countries after Germany, Great Britain, and France.

Agreement on Return of Citizens in Exile Signed

PY1011134090 Santiago Radio Cooperativa Network in Spanish 2200 GMT 8 Nov 90

[Excerpt] Foreign Minister Enrique Silva Cimma said this afternoon that thousands of Chileans currently living in exile will now be able to return to their country with the support of the international community. Silva Cimma added that their return will represent another contribution to the country's democratization.

An agreement for this purpose was signed at the Foreign Ministry by the Chilean Government, the UN High Commissioner for Refugees, and the International Organization for Immigration. [passage omitted]

Socialist Party Holds Internal Elections

PY1111005890 Madrid EFE in Spanish 1734 GMT 8 Nov 90

[Text] Santiago, 8 Nov (EFE)—Socialist Party [PS] leaders reported today that the leftist wing of the PS, which follows a Marxist-Leninist trend, won most of the posts in the PS Central Committee in internal elections held last Sunday, 4 November.

Leftist leader Manuel Almeyda received the most votes out of 457 candidates and 97 posts, and he will probably be the new party secretary general, the sources said.

Almeyda, a 63-year-old doctor who went underground, was imprisoned, and was exiled during the military government of General Augusto Pinochet, received more votes than Isabel Allende, niece of deceased former President Salvador Allende, and Ricardo Lagos, current education minister for Chilean President Patricio Aylwin.

With 85 percent of the votes counted, Almeyda's ticket had recieved 33.23 percent of the votes, although unofficial returns credit him with more than 34 percent.

The great surprise among all of the socialists was Ricardo Lagos, the most charismatic Chilean socialist leader, who has been cited as a possible presidential candidate in 1993; he received only 24 percent of the votes, almost the same number as Deputy Mario Palestro, representative of the populist sector.

Today PS President Jorge Arrate, of the "renewed" sector, denied the possibility of a split within the PS, which only this year achieved unity after a decade of internal struggle between factions.

Almeyda's faction was the most reluctant about joining the political system created by the military regime, and until last year it was aligned with the Communist Party, the Movement of the Revolutionary Left (MIR), and other extreme leftist organizations.

The supremacy of the renewed sector and the electoral defeat of the left in the congressional elections of 14 December 1989 fostered the belief that Almeyda's sector would be defeated in the internal elections by a large margin; for this reason, the results have been an real surprise.

Manuel Almeyda stated today that his objective is to work to strengthen socialist unity, and he flatly rejected the possibility of working within factions. He said he has no problem whatsoever with working with Jorge Arrate.

Almeyda admitted that his victory could be based on dissatisfaction in the grass roots over the performance of President Aylwin's party, but termed the accusations by renewed leaders that he intends to take the party out of the government an "election broadside."

Colombia

Alleged Drug Trafficker's Extradition Approved

PA1011033890 Paris AFP in Spanish 0255 GMT 10 Nov 90

[Text] Bogota, 9 Nov (AFP)—It was officially announced today that the Colombian Government has authorized, through an administrative act, the extradition of Colombian Jairo Correa Alzate, who is sought by a U.S. court on drug trafficking charges.

Correa Alzate, who had been sought by a court in Florida, was recently arrested in Caldas Department, 200 km west of Bogota.

During the current administration of President Cesar Gaviria, four Colombians accused of drug trafficking have been turned over to U.S. judges.

Fourteen other extraditables are waiting for a judicial decision on their fate at La Picota jail in southern Bogota.

Further on Extradition

PA1011140390 Bogota Radio Cadena Nacional in Spanish 1213 GMT 10 Nov 90

[Text] Bogota—Jairo Correa Alzate, an alleged drug trafficker, will be sent to the United States in the next few days. Correa Alzate has been accused of drug trafficking in the United States and U.S. authorities have requested his extradition.

Last night the National Narcotics Council issued a resolution authorizing the extradition of Correa Alzate to a Florida court. Correa Alzate's police record shows that he is accused of transporting five kg of cocaine to the United States and of conspiracy.

The resolution says that Correa Alzate and the alleged bosses of the Medellin Cartel—Pablo Escobar Gaviria, Fabio Ochoa, Carlos Leder Rivas, and the late Jose Gonzalo Rodriguez Gacha, alias El Mejicano—conspired to tranport large amounts of drugs to the United States.

Meanwhile, Correa Alzate's attorney, Guillermo Leon Londono Cardenas, has asked for the file on the proceedings against his client. The attorney says that Correa Alzate surrendered voluntarily to the Colombian authorities in La Dorada Municipality, Caldas Department.

20 Guerrillas, Soldiers Killed in Antioquia

PA1011193890 Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 10 Nov 90

[Text] Early this morning, six soldiers and 14 guerrillas were killed in attacks launched by the guerrillas on the military base of Taraza and on the town of Caceres, in Antioquia Department.

The two armed incursions were carried out by the National Guerrilla Coordinating Board.

Right now, 4th Brigade troops are conducting intensive military operations in northern Antioquia.

Further on Attacks

PA1111122590 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 11 Nov 90

[Text] Approximately 400 guerrillas from the Simon Bolivar Guerrilla Coordinating Board, CNG, occupied the towns of Taraza and Caceres in Antioquia Department. The bloody attack left 24 dead—nine soldiers and 15 guerrillas—and 15 wounded.

The guerrilla attack occurred early today. At the same time guerrillas ruthlessly attacked the towns of Taraza and Caceres in northern Antioquia. At the Caceres Military Base, members of the CNG killed Lieutenant Colonel Jaime Fajardo Cifuentes, from Chia, Cundinamarca, and Lieutenant German Lopez Cortes. In their counterattack, the military forces killed 15 guerrillas and confiscated seven rifles, grenades, rockets, and ammunition of various calibers. In Caceres municipality, the attack on the police left one dead and two wounded. The dead soldiers were transferred to Medellin this afternoon.

[Begin unidentified military commander recording] Right now we know that several guerrillas were wounded and that some were killed. We are combing the mountains because we are sure that there are still criminals in the area. [end recording]

At this time combined Army troops are pursuing the guerrilla column that occupied Taraza and Caceres.

Government Breaks Off Talks With FARC, ELN

PA1111190890 Bogota Inravision Television Cadena 1 in Spanish 1801 GMT 11 Nov 90

[Text] The Colombian Government broke off peace talks today with the Revolutionary Armed Forces of Colombia [FARC] and the Army of National Liberation [ELN] because the rebels' armed raid against Taraza and Caceres, which resulted in the killings of nine soldiers, has been considered a criminal action.

In a communique, the government also ruled out the presence of delegates from these two guerrilla groups in the constituent assembly because they have failed to show a willingness for peace and reconciliation. In the communique, President Cesar Gaviria said that this attack is the guerrillas' response to the government's generous proposal to hold a dialogue to find a peaceful solution to the conflict with the subversive organizations.

Government Minister on Latest Kidnappings

PA1011175890 Bogota Radio Cadena Nacional in Spanish 1200 GMT 9 Nov 90

[Text] Bogota—Government Minister Julio Cesar Sanchez has said that the Gaviria administration cannot allow itself to be intimidated, and he has reiterated his rejection of a dialogue with drug traffickers. The minister voiced the government's rejection and outrage over the kindapping of the Cinema Financial Fund manager Maruja Pachon de Villanizar and her sister-in-law, Beatriz Villanizar de Guerra in Bogota. We cannot bow our heads. We cannot let ourselves be intimidated. The country must defend itself and repudiate crimes that are aimed at destroying our social organization, he said.

Neither blackmail nor intimidation will lead to a solution in the kidnapping of citizens, no matter how respectable or poor a person is, Sanchez said in a talk with newsmen at the Narino Palace. Earlier, President Cesar Gaviria also spoke out against the kidnapping of the two newswomen. This new act of savagery violates the most basic human rights and must be categorically rejected by the people, he said.

Meanwhile, liberal lawmaker Alberto Villanizar has asked the kidnappers of his wife and sister to respect their lives. I will do all that I can to ensure that my wife and sister return home safely, he said. Three years ago, he was the target of an attack reportedly carried out by the Los Priscos gang in northern Bogota.

No Postponement of Constituent Assembly Elections

PA1011131390 Bogota Radio Cadena Nacional in Spanish 1212 GMT 10 Nov 90

[Text] Bogota—The national government has announced that it will not postpone the December elections and it has guaranteed the security of all the constituent assembly elections candidates.

Government Minister Julio Cesar Sanchez Garcia said that this is no time for fear and that the government will not postpone the December elections.

Sanchez Garcia said that the government is prepared to tackle any difficulties that may emerge, because postponing the elections would not be good for the country's institutions. We cannot overlook the fact that the country is facing a difficult time, he said. He added that not only the president, but all the Colombians, are responsible for the deterioration of the public order situation in the past few months in the country. [sentence as heard]

Meanwhile, Defense Minister Oscar Botero Restrepo has urged the Colombian people to cooperate with the democracy plan that has been established to guarantee security before, during, and after the constituent assembly elections.

Peru

Government 'Alarmed' Over 'Labor Unrest'

PY1211232590 Madrid EFE in English 2308 GMT 12 Nov 90

[Text] Lima, Nov 12 (EFE)—The Peruvian Government, alarmed over a recent wave of strikes, has said it will not "tolerate labor unrest" and urged workers to exercise prudence in their demands.

Prime Minister and Economy Minister, Juan Carlos Hurtado Miller, said that if the government met state workers' wage-increase demands "it would blow to smithereens the (government's economic) adjustment program", which has been in effect since August 8.

Making the comments Sunday, Hurtado said there would be no pay hikes until January 1991.

He admitted that government workers were underpaid, but said a civil servant' planned strike for Thursday would threaten the program of economic stability.

Peru's state sector employs around 600,000 people, with labor leaders saying most of the workers earn less than the legal minimum wage of dlrs 57 per month.

The state sector has been severely hit by the drastic economic reform plan of President Alberto Fujimori, which aims to make savings by cutting back public spending.

Some 5,000 social security workers over the weekend joined 40,000 of their colleagues who last week walked off the job in an indefinite strike which has left hospitals with only emergency services.

The health services were expected to worsen Thursday, as some 60,000 Health Ministry workers plan to stop work.

The National Coalition of Public Business Unions, which includes workers in the electricity, water, oil, mineral, food, ports, iron and steel sectors, is also due to walk out November 15.

Transport and communications workers have already begun strikes, while tax employees are running a go-slow campaign and are blocking the collection of public levys.

The government said it would freeze wage hikes until January because September and October's inflation rates were under 10 percent.

But labor leaders have said that freezing the salaries would only multiply the number of strikes.

Although inflation fell to 9.6 percent for October, Peruvian's have had to cope with Fujimori's austerity measures, which have caused the price of bread and milk to rocket by 300 percent, and gasoline by 3,000 per cent.

Of Peru's more than 20 million people, 55 per cent live in poverty.

Fujimori won office in June after saying he was strongly against drastic economic reform that would place too heavy a burden on the poor.

Fujimori, Argentina's Menem in 'Presidential Tiff'

PY1311004590 Madrid EFE in English 0001 GMT 13 Nov 90

[Text] Lima, Nov 12 (EFE)—Peruvian President Alberto Fujimori stood up his Argentine counterpart, Carlos Menem, when the Argentine's plane made a stopover in the early hours of Saturday in Lima after a presidential tiff, diplomats said Monday.

Diplomatic sources confirmed a report Sunday by the Lima daily Expreso which said that Fujimori apparently snubbed Menem after huffing at the Argentine president's lukewarm response to his invitation to meet with him.

Complaining of a cold, Fujimori instead sent Prime Minister Juan Carlos Hurtado Miller to meet Menem at Lima's international airport, the paper said.

After getting out of bed and dressing for what he thought was a meeting with Fujimori, Menem refused to get off the presidential plane when he found out that he was in fact to meet Hurtado Miller.

Expreso reported that Menem, who intended to invite Fujimori to Argentina, "did not exactly receive with a smile" the news that Fujimori would not be turning up.

Expreso said one of Menem's staff apparently told Hurtado Miller, "You can't disturb the president."

Menem's initial reluctance to meet with Fujimori was put down to the fact that Peru does not currently have an ambassador in Buenos Aires and because the Argentine president preferred to have a good night's sleep.

Menem's plane made a 90-minute stopover in Lima before flying on to Tokyo where he attended Japanese Emperor Akihito's enthronement.

Fujimori Receives Air Force Decorations

PY1011023290 Lima Television Peruana in Spanish 1800 GMT 9 Nov 90

[Excerpts] At noon today, President Alberto Fujimori received two decorations from the Air Force. The decorations were the Peruvian Grand Cross of Aeronautical Merit and the Air Force Captain Abelardo Quinonez Gonzalez Special Grand Gross. The two decorations were awarded for exceptional service in support of the Peruvian Air Force.

The decorations were presented by Defense Minister General Jorge Torres Aciego, who said President Fujimori represents national integration. He also emphasized the president's concern for the Armed Forces. President Fujimori said he was receiving the decorations with great emotion and that they represent the civilian population's solid, indestructible unity with the Armed Forces. [passage omitted]

[Begin Fujimori recording] Gentlemen, it is with great emotion that I receive the Air Force decorations—the Peruvian Grand Cross of Aeronautical Merit and the Air Force Captain Abelardo Quinonez Gonzalez Special Grand Cross. I believe the decorations are not just a recognition of my efforts. They are also aimed at conveying—at this difficult time of great effort and sacrifice—the solid, indestructible unity of the civilian power and its military institutions to take our country out of the serious crisis we are experiencing.

Until a few years ago—as a result of the incomprehensible circumstances of history—the country lived with an absurd division between civilians and the military. Some people forgot that the Armed Forces are Peruvian people in uniform and that when the country ordered, civilians did not hesitate to give their blood for the country. Because of that absurd situation, the civilians took charge of development problems and the military were only involved in defense activities, forgetting the fact that in order to build a just, developed, free, and respected country, we must have a fraternal union of willpower and an exchange of experiences.

Those differences have now been overcome and in view of the possibility that together we can overcome the scourges of poverty, subversion, drug trafficking, and immorality, we are becoming aware of the need to join efforts in order to achieve the higher standard of living we deserve. This attitude represents a real expression of what a democratic society means. Within this line of thinking, the Air Force appears as a clear example because while its dissuasive power—based on the most modern military technology—is a guarantee of the preservation of our sovereignty, it also participates in development by uniting our people isolated in different regions, providing aid to areas affected by natural disasters or epidemics and evacuating people and assisting trade among regions. The Air Force message of peace and progress has been received with love and faith.

The members of the Air Force—who have inherited the glorious tradition of Captain Abelardo Quinonez, who sacrificed his life in combat to save others—are without a doubt the best representatives of the new mentality uniting the will of all Peruvians to overcome the current crisis and find the path for progress and social justice.

Gentlemen, these decorations represent a commitment that I am going to fulfill to definitely deserve them. The honor of wearing these decorations will always remind me that during my administration, I must work hard for our country and must make the Air Force greater and more powerful, and I will do that. Thank you very much. [applause] [end recording]

Economy Minister on Debt, Salary Payments

PY0911150690 Lima Television Peruana in Spanish 1100 GMT 9 Nov 90

[Text] As of January next year, public employees will be confirmed in their jobs according to Juan Carlos Hurtado Miller, president of the Council of Ministers and minister of economy, who also ruled out the possibility of any salary increases.

[Begin recording] [Hurtado] The Congress Budget Committee today ratified the commitments assumed by the former government. This is very important because it will clearly demonstrate to the international financial community that Peru is honoring its commitments. Although we do not agree with paying our debt with products, we confirmed that we will respect the commitments made by the country.

[Unidentified reporter] [Question indistinct]?

[Hurtado] There been no further discussion, except about the $14 million. [not further identified]

[Reporter] How much does Peru owe?

[Hurtado] Our obligations (?used to) amount to $29.1 million, of which $16 million was paid by the former government and now we are paying $13 million. In the case of the Chase Manhattan Bank, we have three contracts. The first is for $15 million, which has already been paid, and there are two more contracts for $12 and $15 million respectively. These will be paid soon.

[Reporter] Where will we get the funds for the announced public employees' wage increase?

[Hurtado] We have said that we expect to collect more funds for the national budget thanks to the national tax reform and that we will confirm the public employees in their jobs. No, we currently do not have any possibility of granting a salary increase because we have no fiscal funds. Yesterday I announced that we have had to reduce our contribution to the national social emergency program. We do not have money to pay more employees or to increase the salaries of the existing ones. [end recording]

Labor Minister Says No Money for Salary Hikes

PY0911144890 Lima Television Peruana in Spanish 0100 GMT 9 Nov 90

[Text] Labor Minister Carlos Torres y Torres Lara has asked the public workers grouped under the CITE [Intersectorial Confederation of Public Employees] to drop their measures of force because the government is unable to grant any salary increases.

[Begin Torres recording] Despite our difficulties, there are currently fewer strikes because workers now understand the situation. With the exception of the labor conflict of the Banco de la Nacion, there are less than 1,000 workers on strike in the whole country: There are only 860 workers on strike.

Let us see what will happen next Monday. There is still time for public workers to understand that the main problem is that there are no funds for an increase. It is not that the government does not want to grant them an increase. We would like to do so, and we will gradually do so, but there are no funds at the moment. We cannot print money just to pay public employees because that would harm everyone and would affect the public utility rates. Therefore, we call on public workers to become aware of the suffering of the whole society. They must understand that they must join the effort of the private sector and wait for better times. [end recording]

Drug Trafficking Leader Escapes From Jail

PY0911131690 Lima LA REPUBLICA in Spanish 7 Nov 90 p 27

[Excerpt] Drug trafficker Eduardo Armando Luque Valenzuela, who is charged with having shipped drugs aboard a Peruvian Navy ship, reportedly paid $50,000 to escape from the El Callao court building jail along with other ten inmates. This information was released by the special commission designated by Interior Minister General Adolfo Alvarado Fourniers to investigate the case.

According to the antidrug police, Luque is the head of a vast international drug traffickers network. He was placed at the disposal of the judicial branch just ten days ago by personnel of the Drug Trade Investigative Division. Luque was arrested in a house in Ancon which he used as a bunker [preceding word in English] from where he headed his illegal activities. According to what has been learned Luque was to have been sent to the Miguel Castro Castro top security prison in Cantro Grande, but he managed to remain at the El Callao court prison by paying huge amounts of money. [passage omitted]

Deputies Reject Charge Against Former President

PY0911214490 Lima Television Peruana in Spanish 0100 GMT 8 Nov 90

[Excerpts] Today the Chamber of Deputies rejected a constitutional accusation against former President Alan Garcia in connection with his alleged responsibility in the deaths of prison inmates. During a heated marathon debate, 80 deputies voted against the accusation, 75 voted for it, and two deputies abstained. [passage omitted]

Change 90 legislators (Mario Soto Godoy), (Juana Avellaneda), and (Oscar Cruzado) voted for the accusation.

The session was attended by 159 deputies, who voted according to the regular system after rejecting a proposal by Deputy (Ricardo Letch) for holding a roll call vote.

The House thus cleared Alan Garcia of responsibility in quelling prison mutinies in June 1986.

The session, which was scheduled for 1000, began at 1055 after the arrival of Popular Action, Independent Moralization Front, and United Left legislators, who were awaiting the arrival of more deputies. During the second and last day of debates, 14 speakers took the floor. Deputy (Manuel Danner) proposed returning the resolution on Alan Garcia's alleged violations of the Constitution to the special committee for another week of review.

[Begin recording] [passage indistinct].

[Deputy Lourdes Flores Nano] I deplore this vote, especially way in which the votes were counted at the Chamber of Deputies. However, I am satisfied because, with our words and our votes, we said what we think; this is how we will always behave, with total determination.

[Deputy Jorge del Castillo] The president could not be held politically or constitutionally—much less criminally—responsible in this case. We are very happy because the decision was made not only with APRA [American Popular Revolutionary Alliance] votes, but also the votes of other political groups that made a conscientious decision and dealt a tremendous blow to the Shining Path.

[Deputy Julio Castro Gomez] I believe the country can identify the deputies who, in front of the country, openly refused to vote on this significant issue. There were remarkable absences by members of several parties. I believe that if they held an opposing view on the subject, they lacked the courage and bravery to justify their dissenting position. Instead, they preferred to hide. [end recording]